

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

**FORM S-4
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933**

RALLYBIO CORPORATION
(Exact name of registrant as specified in its Charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

2834
(Primary Standard Industrial
Classification Code Number)

85-1083789
(I.R.S. Employer
Identification No.)

234 Church Street
New Haven, CT 06510
(203) 859-3820

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Stephen Uden, M.D.
Chief Executive Officer
Rallybio Corporation
234 Church Street
New Haven, CT 06510
(203) 859-3820

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Zachary Blume, Esq.
Tyler Silvey, Esq.
Ropes & Gray LLP
Prudential Tower
800 Boylston Street
Boston, MA 02199-3600
(617) 951-7000

Carlos Ramirez, Esq.
Rama Padmanabhan, Esq.
Lindsey O'Crump Crow, Esq.
Charles S. Kim, Esq.
Cooley LLP
10265 Science Center Drive
San Diego, CA 92121
(858) 550-6000

Approximate date of commencement of proposed sale to the public:

As soon as practicable after the effectiveness of this registration statement and the satisfaction or waiver of all other conditions under the Merger Agreement described herein.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box. ☐

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box. ☐

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

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

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box. ☐

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box. ☐

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

Large accelerated filer ☐
Non-accelerated filer ☒

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. ☐

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

The information in this preliminary proxy statement/prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary proxy statement/prospectus is not an offer to sell and it is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED MARCH 16, 2026

**PROPOSED MERGER
YOUR VOTE IS VERY IMPORTANT**

To the Stockholders of Rallybio Corporation,

Rallybio Corporation, a Delaware corporation ("Rallybio"), and Candid Therapeutics, Inc., a Delaware corporation ("Candid") have entered into an Agreement and Plan of Merger and Reorganization, dated March 1, 2026 (the "Merger Agreement"), pursuant to which, among other matters, Farmington Merger Sub, Inc., a Delaware corporation and wholly owned subsidiary of Rallybio ("Merger Sub"), will merge with and into Candid, with Candid surviving as a wholly owned subsidiary of Rallybio (such transaction, the "Merger"). In connection with the Merger, Rallybio will change its name to Candid Therapeutics, Inc. (together with its subsidiaries following the Merger, the "combined company").

The Merger will become effective at the time the Certificate of Merger has been duly filed with the Secretary of State of the State of Delaware or such other date and time as is agreed upon by Rallybio and Candid and specified in the Certificate of Merger in accordance with the General Corporation Law of the State of Delaware ("DGCL") (such date, the "Closing Date," and such time, the "Effective Time"). At the Effective Time, (a) each outstanding share of Candid common stock, par value \$0.0001 per share ("Candid Common Stock"), and each share of Candid preferred stock, par value \$0.0001 per share ("Candid Preferred Stock" and, together with the Candid Common Stock, "Candid Capital Stock") (excluding shares held by Candid stockholders who have exercised and perfected appraisal rights, shares of Candid Capital Stock held as treasury stock by Candid or held or owned by Rallybio, Merger Sub or any subsidiary of Rallybio or Candid, and any shares described in the following clause (b)) will be converted into the right to receive approximately 0.0716 shares of common stock of Rallybio, par value \$0.0001 per share ("Rallybio Common Stock"), based on an assumed exchange ratio of 0.0716 (the "Exchange Ratio"), assuming a reverse stock split of Rallybio Common Stock at a ratio of 1-for-2.5 to be implemented prior to the closing of the Merger (the "Closing") as may be adjusted and as discussed in the accompanying proxy statement/prospectus, and which is further subject to certain adjustments as described below, and (b) each share of Candid Common Stock issued in the Concurrent Financing (as defined and described in more detail below) will be converted into the right to receive a number of shares of Rallybio Common Stock calculated in accordance with the exchange ratio formula set forth in the Merger Agreement (the "Concurrent Financing Exchange Ratio"), which is assumed to be 0.0716 and is subject to the same assumptions as the Exchange Ratio described above and below. Rallybio will assume outstanding and unexercised options to purchase shares of Candid Common Stock, and in connection with the Merger such options will be converted into options to purchase shares of Rallybio Common Stock based on the Exchange Ratio.

Each share of Rallybio Common Stock issued and outstanding at the time of the Merger will remain issued and outstanding, and, subject to the proposed reverse stock split, will be unaffected by the Merger. In addition, on March 1, 2026, Candid entered into a subscription agreement (the "Subscription Agreement") with certain investors, pursuant to which Candid has agreed to sell, and such investors have agreed to purchase, shares of Candid Common Stock for an aggregate purchase price of \$505.5 million, immediately prior to the Effective Time of the Merger (such transaction, the "Concurrent Financing"). The closing of the Concurrent Financing is conditioned upon the satisfaction or waiver of each of the conditions to the Closing as well as certain other conditions. The Concurrent Financing is more fully described in the section titled "*The Merger Agreement—Subscription Agreement*."

Under the Exchange Ratio and Concurrent Financing Exchange Ratio formulas in the Merger Agreement, immediately after the Closing, on a pro forma basis and based upon the number of shares of Rallybio Common Stock expected to be issued in connection with the Merger, pre-Merger equityholders of Candid (other than investors in the Concurrent Financing) are expected to own approximately 57.55% of the combined company, pre-Merger equityholders of Rallybio are expected to own approximately 3.65% of the combined company and the investors in the Concurrent Financing are expected to own approximately 38.80% of the combined company (assuming proceeds from the Concurrent Financing of \$505.5 million), in each case, calculated on a fully diluted basis, using the treasury stock method, and subject to certain assumptions, including (i) a valuation for Rallybio of \$47.5 million (assuming Rallybio has net cash ("Rallybio Net Cash") of \$37.5 million as of the Closing), (ii) a fixed valuation for Candid of \$750.0 million, and (iii) the relative capitalization of Rallybio and Candid. The percentage of the combined company that each party's equityholders will own following the Closing is subject to certain adjustments (as described in more detail in the section titled "*The Merger Agreement—Merger Consideration and Exchange Ratio*"), including the amount of the final Rallybio Net Cash at the Closing.

Table of Contents

Shares of Rallybio Common Stock are currently listed on The Nasdaq Capital Market ("Nasdaq") under the symbol "RLYB." Candid will file an initial listing application for the combined company with Nasdaq. After completion of the Merger, Rallybio will be renamed "Candid Therapeutics, Inc.," and it is expected that the common stock of the combined company will trade on Nasdaq under the symbol "CDRX." On , 2026, the last trading day before the date of the accompanying proxy statement/prospectus, the closing sale price of Rallybio Common Stock was \$ per share.

Rallybio stockholders are cordially invited to attend the 2026 annual meeting of Rallybio stockholders (the "Rallybio annual meeting"). The Rallybio annual meeting is being held on , unless postponed or adjourned to a later date, in order to obtain the stockholder approvals necessary to complete the Merger, the Concurrent Financing and related matters. The Rallybio annual meeting will be held entirely online. Rallybio stockholders will be able to attend and participate in the Rallybio annual meeting by registering at www.virtualshareholdermeeting.com/RLYB2026 where they will be able to listen to the meeting live, submit questions and vote. At the Rallybio annual meeting, Rallybio will ask its stockholders to:

1. Approve the issuance of shares of Rallybio Common Stock to the securityholders of Candid, pursuant to the terms of the Merger Agreement, a copy of which is attached as *Annex A* to the accompanying proxy statement/prospectus, which will (a) represent more than 20% of the shares of Rallybio Common Stock outstanding immediately prior to the Merger and (b) result in the change of control of Rallybio, pursuant to Nasdaq Listing Rules 5635(a) and 5635(b), respectively (the "Nasdaq Stock Issuance Proposal" or "Proposal No. 1");
2. Approve an amendment to Rallybio's amended and restated certificate of incorporation to effect a reverse stock split of Rallybio's issued and outstanding common stock at a ratio in the range from 1-for-2 to 1-for-3, inclusive, with the final ratio to be mutually agreed to by Rallybio and Candid, in the form attached as *Annex I* to the accompanying proxy statement/prospectus (the "Reverse Stock Split Proposal" or "Proposal No. 2");
3. Approve an amendment to Rallybio's amended and restated certificate of incorporation to change the name of Rallybio to "Candid Therapeutics, Inc.," in the form attached as *Annex J* to the accompanying proxy statement/prospectus (the "Name Change Proposal" or "Proposal No. 3");
4. Approve an amendment to Rallybio's amended and restated certificate of incorporation to increase the number of authorized shares of Rallybio Common Stock from 200,000,000 shares to 500,000,000 shares, in the form attached as *Annex K* to the accompanying proxy statement/prospectus (the "Authorized Share Proposal" or "Proposal No. 4");
5. Elect Helen M. Boudreau, Lucian Iancovici, and Christine A. Nash, as Class II directors, each for a three-year term and until their successors are duly elected and qualified or until their earlier death, resignation or removal (the "Director Election Proposal" or "Proposal No. 5"); provided that if the Merger is consummated, the effect of the approval of the director nominees named in the Director Election Proposal will be limited because the composition of the Rallybio Board will be reconstituted upon completion of the Merger in accordance with the Merger Agreement;
6. Ratify the selection of Deloitte & Touche LLP independent registered public accounting firm for Rallybio for the fiscal year ending December 31, 2026 (the "Auditor Ratification Proposal" or "Proposal No. 6");
7. Approve the 2026 Plan (as defined in the accompanying proxy statement/prospectus) in the form attached as *Annex L* to the accompanying proxy statement/prospectus, which will become effective on the date immediately following the consummation of the Merger and is contingent on the completion of the Merger (the "2026 Plan Proposal" or "Proposal No. 7");
8. Approve the 2026 ESPP (as defined in the accompanying proxy statement/prospectus) in the form attached as *Annex M* to the accompanying proxy statement/prospectus, which will become effective on the date immediately following the consummation of the Merger and is contingent on the completion of the Merger (the "2026 ESPP Proposal" or "Proposal No. 8");
9. Approve an adjournment of the Rallybio annual meeting, if necessary, to solicit additional proxies if there are not sufficient votes in favor of the Nasdaq Stock Issuance Proposal, the Reverse Stock Split Proposal, the Name Change Proposal and/or the Authorized Share Increase Proposal (the "Adjournment Proposal" or "Proposal No. 9"); and
10. Transact such other business as may properly come before the stockholders at the Rallybio annual meeting or any adjournment or postponement thereof.

As described in the accompanying proxy statement/prospectus, certain Rallybio stockholders who in the aggregate owned approximately 24.80% of the outstanding shares of Rallybio Common Stock as of March 1, 2026, and certain Candid stockholders who in the aggregate owned approximately 66.14% of the outstanding shares of Candid Capital Stock as of March 1, 2026, are parties to support agreements with Rallybio and Candid, respectively, whereby such stockholders have agreed to vote (i) in the case of Rallybio stockholders, in favor of the Merger and the other transactions and actions contemplated by the Merger Agreement (collectively, the "Contemplated Transactions"), including (a) the Nasdaq Stock Issuance Proposal, (b) the Reverse Stock Split Proposal, (c) the Name Change Proposal, (d) the Authorized Share Proposal, and (e) and the other transactions and actions contemplated by the Merger Agreement, including the Concurrent Financing and the Asset Dispositions (in each case, as defined in the Merger Agreement), and (ii) in the case of Candid stockholders, in favor of adopting the Merger Agreement and approving the Merger and the other Contemplated Transactions, in each case, subject to the terms of the support agreements. Following the effectiveness of the registration statement on Form S-4 of which the accompanying proxy statement/prospectus is a part, and pursuant to the Merger Agreement, Candid shall seek to obtain approval for the Merger Agreement and the Contemplated Transactions from stockholders holding a sufficient number of shares of Candid Capital Stock to adopt and approve such matters.

After careful consideration, each of Rallybio's board of directors (the "Rallybio Board") and Candid's board of directors (the "Candid Board") have approved the Merger Agreement and the Contemplated Transactions and have determined that it is advisable to consummate the Merger. The Rallybio Board has approved the proposals described in the accompanying proxy statement/prospectus and unanimously recommends that its stockholders vote "FOR" the proposals described in the accompanying proxy statement/prospectus.

More information about Rallybio, Candid, the Merger Agreement and Contemplated Transactions, and the foregoing proposals is contained in the accompanying proxy statement/prospectus. Rallybio urges you to read the accompanying proxy statement/prospectus carefully and in its entirety. IN PARTICULAR, YOU SHOULD CAREFULLY CONSIDER THE MATTERS DISCUSSED UNDER "[RISK FACTORS](#)" BEGINNING ON PAGE 27 OF THE ACCOMPANYING PROXY STATEMENT/ PROSPECTUS.

Rallybio is excited about the opportunities the Merger brings to Rallybio's stockholders and thanks you for your consideration and continued support.

Stephen Uden, M.D.
President and Chief Executive Officer
Rallybio Corporation

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of the accompanying proxy statement/prospectus. Any representation to the contrary is a criminal offense.

The accompanying proxy statement/prospectus is dated _____, 2026, and is first being mailed to Rallybio's stockholders on or about _____, 2026.

RALLYBIO CORPORATION
234 Church Street
New Haven, Connecticut 06510

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To the stockholders of Rallybio Corporation:

On behalf of the Rallybio Board, we are pleased to deliver this proxy statement/prospectus for the proposed Merger between Rallybio and Candid pursuant to which, among other matters, Merger Sub will merge with and into Candid, with Candid surviving as a wholly owned subsidiary of Rallybio.

The Rallybio annual meeting will be held on _____, unless postponed or adjourned to a later date. The Rallybio annual meeting will be held entirely online. You will be able to attend and participate in the Rallybio annual meeting by registering at www.virtualshareholdermeeting.com/RLYB2026. Upon entry of your control number and other required information, you will receive further instructions via email that provide you access to the Rallybio annual meeting and to vote and submit questions during the Rallybio annual meeting. The Rallybio annual meeting will be held for the following purposes, which are collectively referred to as the "Proposals":

1. To approve the issuance of shares of Rallybio Common Stock to the securityholders of Candid, pursuant to the terms of the Merger Agreement, a copy of which is attached as *Annex A* to the accompanying proxy statement/prospectus, which will (a) represent more than 20% of the shares of Rallybio Common Stock outstanding immediately prior to the Merger and (b) result in the change of control of Rallybio, pursuant to Nasdaq Listing Rules 5635(a) and 5635(b), respectively;
2. To approve an amendment to Rallybio's amended and restated certificate of incorporation to effect a reverse stock split of Rallybio's issued and outstanding common stock at a ratio in the range from 1-for-2 to 1-for-3, inclusive, with the final ratio to be mutually agreed to by Rallybio and Candid, in the form attached as *Annex I* to the accompanying proxy statement/prospectus;
3. To approve an amendment to Rallybio's amended and restated certificate of incorporation to change the name of Rallybio to "Candid Therapeutics, Inc.," in the form attached as *Annex J* to the accompanying proxy statement/prospectus;
4. To approve an amendment to Rallybio's amended and restated certificate of incorporation to increase the number of authorized shares of Rallybio Common Stock from 200,000,000 shares to 500,000,000 shares, in the form attached as *Annex K* to the accompanying proxy statement/prospectus;
5. To Elect Helen M. Boudreau, Lucian Iancovici, and Christine A. Nash, as Class II directors, each for a three-year term and until their successors are duly elected and qualified or until their earlier death, resignation or removal; provided that if the Merger is consummated, the effect of the approval of the director nominees named in the Director Election Proposal will be limited because the composition of the Rallybio Board will be reconstituted upon completion of the Merger in accordance with the Merger Agreement;
6. To ratify the selection of Deloitte as independent registered public accounting firm for Rallybio for the fiscal year ending December 31, 2026;
7. To approve the 2026 Plan (as defined in the accompanying proxy statement/prospectus) in the form attached as *Annex L* to the accompanying proxy statement/prospectus, which will become effective on the date immediately following the consummation of the Merger and is contingent on the completion of the Merger;
8. To approve the 2026 ESPP (as defined in the accompanying proxy statement/prospectus) in the form attached as *Annex M* to the accompanying proxy statement/prospectus, which will become effective on the date immediately following the consummation of the Merger and is contingent on the completion of the Merger;
9. To approve an adjournment of the Rallybio annual meeting, if necessary, to solicit additional proxies if there are not sufficient votes in favor of the Nasdaq Stock Issuance Proposal, the Reverse Stock Split Proposal, the Name Change Proposal and/or the Authorized Share Proposal; and

10. To transact such other business as may properly come before the stockholders at the Rallybio annual meeting or any adjournment or postponement thereof.

The Rallybio Board has fixed _____, 2026 as the record date for the determination of stockholders entitled to notice of, and to vote at, the Rallybio annual meeting and any adjournment or postponement thereof. Only holders of record of shares of Rallybio Common Stock at the close of business on the record date are entitled to notice of, and to vote at, the Rallybio annual meeting. At the close of business on the record date, Rallybio had _____ shares of Rallybio Common Stock outstanding and entitled to vote.

Your vote is important. The affirmative vote of a majority of the total votes cast by the holders of Rallybio Common Stock entitled to vote at the Rallybio annual meeting, assuming a quorum is present, is required for the approval of Proposal Nos. 1, 2, 3, 6, 7 and 8. The affirmative vote of the holders of at least seventy-five percent of the outstanding shares of Rallybio Common Stock entitled to vote at the Rallybio annual meeting is required for the approval of Proposal No. 4. The votes cast for a nominee for director by holders of Rallybio Common Stock entitled to vote at the Rallybio annual meeting must exceed the votes cast against by such holders for the election of directors pursuant to Proposal No. 5, assuming a quorum is present. The affirmative vote of the holders of a majority of the shares of Rallybio Common Stock present in person (by virtual attendance) or represented by proxy at the Rallybio annual meeting and entitled to vote on the matter is required for the approval of Proposal 9. Each of Proposal Nos. 1, 2 and 3 is a condition to completion of the Merger. The closing of the Concurrent Financing is conditioned upon the satisfaction or waiver of each of the conditions to the Closing as well as certain other conditions. Therefore, the Merger and the Concurrent Financing cannot be consummated without the approval of Proposal Nos. 1, 2 and 3. The issuance of Rallybio Common Stock in connection with the Merger and the change of control of Rallybio resulting from the Merger will not take place unless Proposal Nos. 1, 2 and 3 are approved by Rallybio stockholders and the reverse stock split is effected, Rallybio's name is changed to "Candid Therapeutics, Inc." and the Merger is consummated. Proposal Nos. 4, 7 and 8 are each conditioned on the consummation of the Merger. Therefore, if Proposal Nos. 1, 2 and 3 are not approved and the Merger is not consummated, Proposal Nos. 4, 7 and 8 will each have no effect, even if one or more are approved by Rallybio stockholders.

Even if you plan to virtually attend the Rallybio annual meeting, Rallybio requests that you sign and return the enclosed proxy or vote by mail, by phone or online to ensure that your shares will be represented at the Rallybio annual meeting if you are unable to virtually attend. You may change or revoke your proxy at any time before it is voted at the Rallybio annual meeting.

THE RALLYBIO BOARD HAS UNANIMOUSLY DETERMINED AND BELIEVES THAT EACH OF THE PROPOSALS OUTLINED ABOVE IS FAIR TO, ADVISABLE AND IN THE BEST INTERESTS OF RALLYBIO AND ITS STOCKHOLDERS AND HAS APPROVED EACH SUCH PROPOSAL. THE RALLYBIO BOARD UNANIMOUSLY RECOMMENDS THAT RALLYBIO STOCKHOLDERS VOTE "FOR" EACH SUCH PROPOSAL.

The proxy statement/prospectus and annual report to stockholders are available at

By Order of the Rallybio Board of Directors,

Stephen Uden, M.D.
President and Chief Executive Officer

_____, 2026

REFERENCES TO ADDITIONAL INFORMATION

This proxy statement/prospectus incorporates certain information about Rallybio that is not included in or delivered with this document. You may obtain this information without charge through the Securities and Exchange Commission ("SEC") website (www.sec.gov) or upon your oral or written request by sending a written request to: Rallybio Corporation, 234 Church Street, New Haven, CT 06510, Attention: Secretary.

To ensure timely delivery of these documents, any request should be made no later than _____, 2026, which is five business days prior to the date of the Rallybio annual meeting, in order to receive them before the Rallybio annual meeting.

For additional details about where you can find information about Rallybio, please see the section titled "*Where You Can Find More Information*" beginning on page 420 of this proxy statement/prospectus.

TABLE OF CONTENTS

QUESTIONS AND ANSWERS	1
PROSPECTUS SUMMARY	11
RISK FACTORS	27
MARKET PRICE AND DIVIDEND INFORMATION	150
CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS	151
THE MERGER	154
THE MERGER AGREEMENT	187
AGREEMENTS RELATED TO THE MERGER	210
RALLYBIO EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE	216
RALLYBIO EXECUTIVE OFFICER AND DIRECTOR COMPENSATION	222
CANDID EXECUTIVE OFFICER AND DIRECTOR COMPENSATION	230
PROPOSAL NO. 1—THE NASDAQ STOCK ISSUANCE PROPOSAL	238
PROPOSAL NO.2—THE REVERSE STOCK SPLIT PROPOSAL	240
PROPOSAL NO.3—THE NAME CHANGE PROPOSAL	246
PROPOSAL NO.4—THE AUTHORIZED SHARE PROPOSAL	247
PROPOSAL NO.5—THE DIRECTOR ELECTION PROPOSAL	249
PROPOSAL NO.6—THE AUDITOR RATIFICATION PROPOSAL	253
REPORT OF THE AUDIT COMMITTEE	255
PROPOSAL NO.7—THE 2026 PLAN PROPOSAL	256
PROPOSAL NO.8—THE ESPP PROPOSAL	263
PROPOSAL NO.9—THE ADJOURNMENT PROPOSAL	267
RALLYBIO'S BUSINESS	268
CANDID'S BUSINESS	299
RALLYBIO MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	346
CANDID'S MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	358
MANAGEMENT FOLLOWING THE MERGER	374

Table of Contents

<u>CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS OF THE COMBINED COMPANY</u>	382
<u>UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION</u>	388
<u>DESCRIPTION OF RALLYBIO CAPITAL STOCK</u>	398
<u>COMPARISON OF RIGHTS OF HOLDERS OF RALLYBIO CAPITAL STOCK AND CANDID CAPITAL STOCK</u>	402
<u>SECURITIES ACT RESTRICTIONS ON RESALE OF COMBINED COMPANY COMMON STOCK</u>	411
<u>PRINCIPAL STOCKHOLDERS OF RALLYBIO</u>	412
<u>PRINCIPAL STOCKHOLDERS OF CANDID</u>	415
<u>PRINCIPAL STOCKHOLDERS OF THE COMBINED COMPANY</u>	417
<u>LEGAL MATTERS</u>	420
<u>EXPERTS</u>	420
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	420
<u>STOCKHOLDER PROPOSALS</u>	422
<u>INDEX TO FINANCIAL STATEMENTS</u>	F-1
<u>ANNEX A—MERGER AGREEMENT</u>	A-1
<u>ANNEX B—OPINION OF PUBCO FINANCIAL ADVISOR</u>	B-1
<u>ANNEX C—FORM OF PUBCO SUPPORT AGREEMENT</u>	C-1
<u>ANNEX D—FORM OF COMPANY SUPPORT AGREEMENT</u>	D-1
<u>ANNEX E—FORM OF LOCK-UP AGREEMENT</u>	E-1
<u>ANNEX F—FORM OF CVR AGREEMENT</u>	F-1
<u>ANNEX G—FORM OF SUBSCRIPTION AGREEMENT</u>	G-1
<u>ANNEX H—FORM OF REGISTRATION RIGHTS AGREEMENT</u>	H-1
<u>ANNEX I—CERTIFICATE OF AMENDMENT OF AMENDED AND RESTATED CERTIFICATE OF INCORPORATION OF PUBCO TO PROVIDE FOR THE REVERSE STOCK SPLIT</u>	I-1
<u>ANNEX J—CERTIFICATE OF AMENDMENT OF AMENDED AND RESTATED CERTIFICATE OF INCORPORATION OF PUBCO TO PROVIDE FOR THE NAME CHANGE</u>	J-1
<u>ANNEX K—CERTIFICATE OF AMENDMENT OF AMENDED AND RESTATED CERTIFICATE OF INCORPORATION OF PUBCO TO PROVIDE FOR THE AUTHORIZED SHARE INCREASE</u>	K-1
<u>ANNEX L—2026 EQUITY INCENTIVE PLAN</u>	L-1
<u>ANNEX M—2026 EMPLOYEE STOCK PURCHASE PLAN</u>	M-1
<u>ANNEX N—FORM OF PROXY CARD</u>	N-1
<u>ANNEX O—SECTION 262 OF THE GENERAL CORPORATION LAW OF THE STATE OF DELAWARE</u>	O-1

QUESTIONS AND ANSWERS

Except where specifically noted, the following information and all other information contained in this proxy statement/prospectus does not give effect to the proposed reverse stock split described in Proposal No. 2 of this proxy statement/prospectus.

The following section provides answers to frequently asked questions about the Merger. This section, however, provides only summary information. For a more complete response to these questions and for additional information, please refer to the cross-referenced sections.

Q: What is the Merger?

- A: Rallybio, Merger Sub, and Candid entered into the Merger Agreement on March 1, 2026. The Merger Agreement contains the terms and conditions of the proposed merger transaction among Rallybio, Merger Sub and Candid. Under the Merger Agreement, Merger Sub will merge with and into Candid, with Candid surviving as a wholly owned subsidiary of Rallybio. This transaction is referred to as the Merger.

The Merger will become effective at the time the Certificate of Merger has been duly filed with the Secretary of State of the State of Delaware or such other date and time as is agreed upon by Rallybio and Candid and specified in the Certificate of Merger in accordance with the DGCL. At the Effective Time, (a) each outstanding share of Candid Common Stock and each share of Candid Preferred Stock (excluding shares held by Candid stockholders who have exercised and perfected appraisal rights as more fully described in the section titled “*The Merger—Appraisal Rights*” of this proxy statement/prospectus, shares of Candid Capital Stock held as treasury stock by Candid or held or owned by Rallybio, Merger Sub or any subsidiary of Rallybio or Candid, and any shares described in the following clause (b)) will be automatically converted solely into the right to receive a number of shares of Rallybio Common Stock equal to the Exchange Ratio, and (b) each share of Candid Common Stock issued in the Concurrent Financing, as more fully described in the section titled “*Agreements Related to the Merger—Subscription Agreement*” of this proxy statement/prospectus, will be automatically converted solely into the right to receive a number of shares of Rallybio Common Stock equal to the Concurrent Financing Exchange Ratio. Rallybio will assume outstanding and unexercised options to purchase shares of Candid Common Stock, and in connection with the Merger they will be converted into options to purchase shares of Rallybio Common Stock based on The Exchange Ratio.

Under the Exchange Ratio and Concurrent Financing Exchange Ratio formulas in the Merger Agreement, upon the Closing, on a pro forma basis and based upon the number of shares of Rallybio Common Stock expected to be issued in connection with the Merger, pre-Merger equityholders of Candid (other than investors in the Concurrent Financing) are expected to own approximately 57.55% of the combined company, pre-Merger equityholders of Rallybio are expected to own approximately 3.65% of the combined company and the investors in the Concurrent Financing are expected to own approximately 38.80% (assuming proceeds from the Concurrent Financing of \$505.5 million), in each case, calculated on a fully diluted basis, using the treasury stock method, and subject to certain assumptions, including (i) a valuation for Rallybio of \$47.5 million (assuming Rallybio Net Cash of \$37.5 million as of the Closing), (ii) a fixed valuation for Candid of \$750.0 million, and (iii) the relative capitalization of Rallybio and Candid. The percentage of the combined company that each party's equityholders will own following the Closing is subject to certain adjustments (as described in more detail in the section titled “*The Merger Agreement—Merger Consideration and Exchange Ratio*”), including the amount of the final Rallybio Net Cash at the Closing.

Each share of Rallybio Common Stock issued and outstanding at the time of the Merger will remain issued and outstanding, and, subject to the proposed reverse stock split, will be unaffected by the Merger. In addition, on March 1, 2026, Candid entered into the Subscription Agreement with certain investors, pursuant to which Candid has agreed to sell, and such investors have agreed to purchase, shares of Candid Common Stock for an aggregate purchase price of \$505.5 million immediately prior to the Effective Time. The closing of the Concurrent Financing is conditioned upon the satisfaction or waiver of each of the conditions to the Closing as well as certain other conditions. The Concurrent Financing is more fully described in the section titled “*Agreements Related to the Merger—Subscription Agreement*” of this proxy statement/prospectus.

Q: Why are the two companies proposing to merge?

A: Rallybio and Candid believe that combining the two companies will result in a substantially capitalized, clinical-stage biotechnology company advancing a leading portfolio of T-cell engager therapeutics for autoimmune diseases. For a more complete description of the reasons for the Merger, please see the sections titled “*The Merger—Rallybio’s Reasons for the Merger*” and “*The Merger—Candid’s Reasons for the Merger*” of this proxy statement/prospectus.

Q: Why am I receiving this proxy statement/prospectus?

A: You are receiving this proxy statement/prospectus because you have been identified as a stockholder of Rallybio as of the record date. This document serves as:

- a proxy statement of Rallybio used to solicit proxies for the Rallybio annual meeting to vote on the matters set forth herein; and
- a prospectus of Rallybio used to offer shares of Rallybio Common Stock in exchange for shares of Candid Capital Stock in the Merger.

Q: What is the Concurrent Financing?

A: On March 1, 2026, Candid entered into the Subscription Agreement with certain accredited investors (the “Investors”), pursuant to which Candid agreed to sell, and the Investors agreed to purchase, immediately prior to the Effective Time, shares of Candid Common Stock for an aggregate purchase price of \$505.5 million. This transaction is referred to as the Concurrent Financing. Shares of Candid Common Stock issued pursuant to the Concurrent Financing will be converted into shares of Rallybio Common Stock in accordance with the Concurrent Financing Exchange Ratio in the Merger Agreement. Candid and Rallybio have also agreed to enter into a registration rights agreement (the “Registration Rights Agreement”) with the Investors at the closing of the Concurrent Financing. Pursuant to the Registration Rights Agreement, the combined company will prepare and file a resale registration statement with the SEC within 30 calendar days following the closing of the Concurrent Financing. The combined company will use its commercially reasonable efforts to cause such registration statement to become effective as promptly as practicable. Immediately after the Closing, under the Exchange Ratio and Concurrent Financing Exchange Ratio formulas in the Merger Agreement, on a pro forma basis and based upon the number of shares of Rallybio Common Stock expected to be issued in connection with the Merger, the Investors are expected to own approximately 38.80% of the combined company, calculated on a fully diluted basis, using the treasury stock method and subject to certain assumptions (as described in more detail in the section titled “*The Merger Agreement—Merger Consideration and Exchange Ratio*”).

Q: What proposals will be voted on at the Rallybio annual meeting in connection with the Merger?

A: Pursuant to the terms of the Merger Agreement, the following proposals must be approved by the Required Rallybio Stockholder Vote (as defined in the Merger Agreement) at the Rallybio annual meeting in order for the Merger to close:

- **Proposal No. 1-The Nasdaq Stock Issuance Proposal** to approve the issuance of shares of Rallybio Common Stock to the securityholders of Candid, pursuant to the terms of the Merger Agreement, a copy of which is attached as *Annex A* to this proxy statement/prospectus, which will (a) represent more than 20% of the shares of Rallybio Common Stock outstanding immediately prior to the Merger and (b) result in the change of control of Rallybio, pursuant to Nasdaq Listing Rules 5635(a) and 5635(b), respectively;
- **Proposal No. 2-The Reverse Stock Split Proposal** to approve an amendment to Rallybio’s amended and restated certificate of incorporation to effect a reverse stock split of the issued and outstanding Rallybio Common Stock at a ratio in the range from 1-for-2 to 1-for-3, inclusive, with the final ratio to be mutually agreed to by Rallybio and Candid, in the form attached as *Annex I* to this proxy statement/prospectus; and
- **Proposal No. 3-The Name Change Proposal** to approve an amendment to Rallybio’s amended and restated certificate of incorporation to change the name of Rallybio to “Candid Therapeutics, Inc.,” in the form attached as *Annex J* to this proxy statement/prospectus.

Each of Proposal Nos. 1, 2 and 3 is a condition to the completion of the Merger. The closing of the Concurrent Financing is conditioned upon the satisfaction or waiver of each of the conditions to the Closing as well as certain other conditions. The issuance of Rallybio Common Stock in connection with the Merger and the change of control of Rallybio resulting from the Merger will not take place unless Proposal Nos. 1, 2 and 3 are approved by the required Rallybio stockholders, the reverse stock split is effected, Rallybio's name is changed to "Candid Therapeutics, Inc." and the Merger is consummated.

In addition to the requirement of obtaining the approval of the required Rallybio stockholders of Proposal Nos. 1, 2 and 3, the Closing is subject to the satisfaction or waiver of each of the other closing conditions set forth in the Merger Agreement. In the event of a waiver of a condition, the Rallybio Board will evaluate the materiality of any such waiver to determine whether amendment of this proxy statement/prospectus and re-solicitation of stockholder approval is necessary. For a more complete description of the closing conditions under the Merger Agreement, please see the section titled "*The Merger Agreement—Conditions to the Completion of the Merger*" of this proxy statement/prospectus.

The presence of the holders of a majority of the shares of Rallybio Common Stock entitled to vote, present in person or represented by proxy, at the Rallybio annual meeting is necessary to constitute a quorum at the meeting for the Proposals.

Q: What proposals are to be voted on at the Rallybio annual meeting, other than the Nasdaq Stock Issuance Proposal, the Reverse Stock Split Proposal and the Name Change Proposal?

A: At the Rallybio annual meeting, the holders of Rallybio Common Stock will also be asked to consider the following proposals:

- **Proposal No. 4 -The Authorized Share Proposal** to approve an amendment to Rallybio's amended and restated certificate of incorporation to increase the number of authorized shares of Rallybio Common Stock from 200,000,000 shares to 500,000,000 shares, in the form attached as *Annex K* to this proxy statement/prospectus;
- **Proposal No. 5-The Director Election Proposal** to elect three Class II directors to the Rallybio Board to hold office until the 2029 Rallybio annual meeting and until his or her respective successor has been duly elected and qualified, or until his or her earlier death, resignation or removal; provided that if the Merger is consummated, the effect of the approval of the director nominees named in the Director Election Proposal will be limited because the composition of the Rallybio Board will be reconstituted upon completion of the Merger in accordance with the Merger Agreement;
- **Proposal No. 6-The Auditor Ratification Proposal** to ratify the appointment of Deloitte & Touche LLP as Rallybio's independent registered public accounting firm for the fiscal year ending December 31, 2026;
- **Proposal No. 7-The 2026 Plan Proposal** to approve the 2026 Plan in the form attached as *Annex L* to this proxy statement/prospectus;
- **Proposal No. 8-The 2026 ESPP Proposal** to approve the 2026 ESPP in the form attached as *Annex M* to this proxy statement/prospectus; and
- **Proposal No. 9-The Adjournment Proposal** to approve an adjournment of the Rallybio annual meeting, if necessary, to solicit additional proxies if there are not sufficient votes in favor of the Nasdaq Stock Issuance Proposal, the Reverse Stock Split Proposal, the Name Change Proposal and/or the Authorized Share Proposal.

The approval of Proposals No. 4, 5, 6, 7, 8 and 9 are not conditions to the Merger. Proposal Nos. 4, 7 and 8 are each conditioned on the consummation of the Merger. Rallybio does not expect that any matter other than the Proposals will be brought before the Rallybio annual meeting.

The presence of the holders of a majority of the shares of Rallybio Common Stock entitled to vote, present in person or represented by proxy, at the Rallybio annual meeting is necessary to constitute a quorum at the meeting for the purpose of approving the Proposals.

As of the date of this proxy statement/prospectus, the Rallybio Board does not know of any business to be presented at the Rallybio annual meeting other than as set forth in the notice accompanying this proxy

statement/prospectus. If any other matters should properly come before the Rallybio annual meeting, it is intended that the shares represented by proxies will be voted with respect to such matters in accordance with the judgment of the persons voting the proxies.

Q: What stockholder votes are required to approve the Proposals at the Rallybio annual meeting?

- A: The affirmative vote of a majority of the total votes cast by the holders of Rallybio Common Stock entitled to vote at the Rallybio annual meeting, assuming a quorum is present, is required for the approval of Proposal Nos. 1, 2, 3, 6, 7 and 8. The affirmative vote of the holders of at least seventy-five percent of the outstanding shares of Rallybio Common Stock entitled to vote at the Rallybio annual meeting is required for the approval of Proposal No. 4. The votes cast for a nominee for director by holders of Rallybio Common Stock entitled to vote at the Rallybio annual meeting must exceed the votes cast against by such holders for the election of directors pursuant to Proposal No. 5, assuming a quorum is present. The affirmative vote of a majority of shares of Rallybio Common Stock present in person (by virtual attendance) or represented by proxy at the Rallybio annual meeting and entitled to vote on the matter is required for the approval of Proposal 9. Each of Proposal Nos. 1, 2 and 3 is a condition to completion of the Merger. The closing of the Concurrent Financing is conditioned upon the satisfaction or waiver of each of the conditions to the Closing as well as certain other conditions. Therefore, the Merger and the Concurrent Financing cannot be consummated without the approval of Proposal Nos. 1, 2 and 3. The issuance of Rallybio Common Stock in connection with the Merger and the change of control of Rallybio resulting from the Merger will not take place unless Proposal Nos. 1, 2 and 3 are approved by Rallybio stockholders, the reverse stock split is effected, Rallybio's name is changed to "Candid Therapeutics, Inc." and the Merger is consummated. Proposal Nos. 4, 7 and 8 are each conditioned on the consummation of the Merger. Therefore, if Proposal Nos. 1, 2 and 3 are not approved and the Merger is not consummated, Proposal Nos. 4, 7 and 8 will each have no effect, even if one or more are approved by Rallybio stockholders.

Votes will be counted by the inspector of election appointed for the meeting, who will separately count "FOR" and "AGAINST" votes, abstentions and broker non-votes. Abstentions and broker non-votes will be treated as shares present for the purpose of determining the presence of a quorum for the transaction of business at the Rallybio annual meeting, but will not be counted as votes cast and will have no effect on the outcome of the vote for each of Proposals No. 1, 2, 3, 5, 6, 7, 8 and 9. Abstentions and broker non-votes will have the same effect as votes "AGAINST" Proposal No. 4.

As of _____, 2026, the directors and executive officers of Rallybio owned or controlled _____ outstanding shares of Rallybio Common Stock entitled to vote at the Rallybio annual meeting. As of March 1, 2026, the Rallybio stockholders that are party to a support agreement, including the directors and executive officers of Rallybio, owned an aggregate number of shares of Rallybio Common Stock representing approximately 24.80% of the outstanding shares of Rallybio Common Stock. Each stockholder that entered into a Rallybio support agreement has agreed to vote all shares of Rallybio Common Stock owned by him, her or it as of the record date (i) in favor of approving the Merger and the other transactions and actions contemplated by the Merger Agreement, including the Nasdaq Stock Issuance Proposal, Reverse Stock Split Proposal, Name Change Proposal, the Authorized Share Increase Proposal, the Concurrent Financing and the Asset Dispositions (collectively, the "Contemplated Transactions"), (ii) against any proposal made in opposition to, or in competition with, the Merger Agreement or the Merger and (iii) against any acquisition proposal involving a third party.

Q: Who is entitled to vote?

- A: Only holders of record of Rallybio Common Stock at the close of business on the record date of _____, 2026, are entitled to notice of, and to vote at, the Rallybio annual meeting. At the close of business on the record date, there were _____ registered holders of record of Rallybio Common Stock and there were _____ shares of Rallybio Common Stock issued and outstanding. Each share of Rallybio Common Stock entitles the holder thereof to one vote on each matter submitted for stockholder approval.

Q: As a Rallybio stockholder, how does the Rallybio Board recommend that I vote?

- A: After careful consideration, the Rallybio Board unanimously recommends that Rallybio stockholders vote "FOR" each of the Proposals.

- The Rallybio Board unanimously recommends that Rallybio stockholders vote **"FOR"** the Nasdaq Stock Issuance Proposal.
- The Rallybio Board unanimously recommends that Rallybio stockholders vote **"FOR"** the Reverse Stock Split Proposal.
- The Rallybio Board unanimously recommends that Rallybio stockholders vote **"FOR"** the Name Change Proposal.
- The Rallybio Board unanimously recommends that Rallybio stockholders vote **"FOR"** the Authorized Share Proposal.
- The Rallybio Board unanimously recommends that Rallybio stockholders vote **"FOR"** each of the director nominees named in the Director Election Proposal.
- The Rallybio Board unanimously recommends that Rallybio stockholders vote **"FOR"** the Auditor Ratification Proposal.
- The Rallybio Board unanimously recommends that Rallybio stockholders vote **"FOR"** the 2026 Plan Proposal.
- The Rallybio Board unanimously recommends that Rallybio stockholders vote **"FOR"** the 2026 ESPP Proposal.
- The Rallybio Board unanimously recommends that Rallybio stockholders vote **"FOR"** the Adjournment Proposal, if necessary.

Q: What are Rallybio contingent value rights?

- A: Immediately prior to the Effective Time, Rallybio and the designated rights agent are expected to enter into a Contingent Value Rights Agreement (the "Rallybio CVR Agreement"), pursuant to which holders of Rallybio Common Stock, pre-funded warrants, restricted stock units and in the money stock options as of the close of business on the last business day prior to the day on which the Effective Time occurs will receive one contingent value right (each, a "Rallybio CVR") for each outstanding share of Rallybio Common Stock or share of Rallybio Common Stock underlying such pre-funded warrant or equity award held by such equityholder on such date.

Pursuant to the Rallybio CVR Agreement, each Rallybio CVR holder will be entitled to receive on a pro rata basis all of the net proceeds received, if any, by Rallybio as a result of payment of (i) any upfront, milestone, or royalty payments received under any disposition agreement related to the Legacy Assets (as defined in the section titled "*Agreements Related to the Merger—Rallybio Contingent Value Rights Agreement*"), and (ii) any cash proceeds received from Recursion Pharmaceuticals, Inc. ("Recursion") related to the earlier sale of Rallybio's REV102 in July 2025. For a period of one year after the Closing, the combined company will use commercially reasonable efforts to effect the disposition of the Legacy Assets.

The Rallybio CVR Payments (as defined in the section titled "*Agreements Related to the Merger—Rallybio Contingent Value Rights Agreement*"), if any, will become payable to the designated rights agent for subsequent distribution to the Rallybio CVR holders. In the event that no such proceeds are received during the CVR Term (as defined in the Rallybio CVR Agreement), holders of the Rallybio CVRs will not receive any payment pursuant to the Rallybio CVR Agreement. There can be no assurance that any Rallybio CVR holders will receive any Rallybio CVR Payments.

The right to the contingent payments contemplated by the Rallybio CVR Agreement is a contractual right only and is not transferable, except in the limited circumstances specified in the Rallybio CVR Agreement. The Rallybio CVRs are not evidenced by a certificate or any other instrument and are not registered with SEC. The Rallybio CVRs do not have any voting or dividend rights and do not represent any equity or ownership interest in Rallybio or any of its respective affiliates. No interest will accrue on any amounts payable in respect of the Rallybio CVRs.

Q: What will Rallybio stockholders receive in the Merger?

- A: Rallybio stockholders will continue to own and hold their existing shares of Rallybio Common Stock. Each share of Rallybio Common Stock issued and outstanding at the time of the Merger will remain issued and outstanding, and, subject to the proposed reverse stock split, will be unaffected by the Merger.

Further, holders of Rallybio Common Stock, pre-funded warrants, restricted stock units and in the money stock options of record as of the close of business on the last business day prior to the day on which the Effective Time occurs will receive one Rallybio CVR for each outstanding share of Rallybio Common Stock held by such stockholder or underlying such pre-funded warrant or equity award on such date, as described in more detail in the section titled "*Agreements Related to the Merger—Rallybio Contingent Value Rights Agreement*."

For a more complete description of the treatment of Rallybio securities (as defined below) in the Merger, please see the sections titled "*The Merger Agreement—Merger Consideration and Exchange Ratio*" and "*Market Price and Dividend Information*" of this proxy statement/prospectus.

Q: What will Candid securityholders receive in the Merger?

- A: Candid stockholders will receive shares of Rallybio Common Stock, and Candid optionholders' outstanding and unexercised options to purchase shares of Candid Common Stock as of immediately prior to the Effective Time will be assumed by Rallybio and will be converted into options to purchase shares of Rallybio Common Stock, with appropriate adjustments to reflect the Exchange Ratio, as determined in accordance with the Merger Agreement. Under the Exchange Ratio and Concurrent Financing Exchange Ratio formulas in the Merger Agreement, immediately after the Closing, on a pro forma basis and based upon the number of shares of Rallybio Common Stock expected to be issued in connection with the Merger and the Concurrent Financing, pre-Merger equityholders of Candid (other than investors in the Concurrent Financing) are expected to own approximately 57.55% of the combined company, pre-Merger equityholders of Rallybio are expected to own approximately 3.65% of the combined company and the investors in the Concurrent Financing are expected to own approximately 38.80% (assuming proceeds from the Concurrent Financing of \$505.5 million), in each case, calculated on a fully diluted basis, using the treasury stock method, and subject to certain assumptions, including (i) a valuation for Rallybio of \$47.5 million (assuming Rallybio Net Cash of \$37.5 million as of the Closing), (ii) a fixed valuation for Candid of \$750.0 million, and (iii) the relative capitalization of Rallybio and Candid. The percentage of the combined company that each party's equityholders will own following the Closing is subject to certain adjustments (as described in more detail in the section titled "*The Merger Agreement—Merger Consideration and Exchange Ratio*"), including the amount of the final Rallybio Net Cash at the Closing.

For a more complete description of the treatment of Candid Common Stock and Candid stock options in the Merger, please see the sections titled "*The Merger Agreement—Merger Consideration and Exchange Ratio*" of this proxy statement/prospectus. For a description of the effect of the Concurrent Financing on Candid's current securityholders, please see the sections titled "*Agreements Related to the Merger—Subscription Agreement*" and "*Agreements Related to the Merger—Registration Rights Agreement*" of this proxy statement/prospectus.

Q: Will the common stock of the combined company trade on an exchange?

- A: Shares of Rallybio Common Stock are currently listed on Nasdaq under the symbol "RLYB." Candid will file an initial listing application for the common stock of the combined company with Nasdaq. At the Effective Time, Rallybio will be renamed "Candid Therapeutics, Inc." and it is expected that the common stock of the combined company will trade on Nasdaq under the symbol "CDRX"; however, the parties may waive the closing condition in the Merger Agreement that the common stock of the combined company be approved for listing on Nasdaq prior to the Closing. For a description of the effect of a waiver of the Nasdaq listing closing condition, please see the section titled "*Risk Factors—Risks Related to the Combined Company*" of this proxy statement/prospectus. On _____, 2026, the last trading day before the date of this proxy statement/prospectus, the closing sale price of Rallybio Common Stock was \$ _____ per share.

Q: Who will be the directors of the combined company following the Merger?

- A: The Merger Agreement provides that the parties will take all necessary action so that immediately after the Effective Time, the board of directors of the combined company comprises seven members, with each member designated by Candid; provided, that the total number of directors to comprise the board of directors of the combined company immediately after the Effective Time may be changed by Candid at any time prior to the Effective Time by written notice to Rallybio. Candid currently expects that immediately following the Effective

Time, the combined company board of directors will consist of six members comprising Candid's current directors: Ken Song, M.D., Angie You, Ph.D., Dan Puckett, Michael Rome, Ph.D., Aaron Royston, M.D. and Jeffrey Tong, Ph.D. and one vacancy. For a more complete discussion of the expected members of the combined company board of directors, please see the section titled "*Management Following the Merger*" of this proxy statement/prospectus.

Q: Who will be the executive officers of the combined company immediately following the Merger?

A: The Merger Agreement provides that the parties will take all necessary action so that immediately after the Effective Time, the persons designated by Candid are appointed to the positions of officers of the combined company. Candid currently expects that the following individuals will serve as the executive officers of the combined company following the Merger:

NAME	TITLE
Ken Song, M.D.	<i>President and Chief Executive Officer</i>
Tim Lu, M.D., Ph.D.	<i>Chief Medical Officer and Chief Scientific Officer</i>
Arvind Kush	<i>Chief Financial Officer and Chief Business Officer</i>
Bernie Huyghe, Ph.D.	<i>Chief Technology Officer</i>

Q: What risks should I consider in deciding whether to vote in favor of the Merger?

A: You should carefully review the section titled "*Risk Factors*" of this proxy statement/prospectus and the documents incorporated by reference herein, which set forth certain risks and uncertainties related to the Merger, risks and uncertainties to which the combined company's business will be subject, and risks and uncertainties to which each of Rallybio and Candid, as independent companies, are subject.

Q: When do you expect the Merger to be consummated?

A: The Merger is anticipated to close in mid-2026, but the exact timing cannot be predicted. For more information, please see the section titled "*The Merger Agreement—Conditions to the Completion of the Merger*" of this proxy statement/prospectus.

Q: What are the material U.S. federal income tax consequences of the Merger to holders of Rallybio Common Stock?

A: Rallybio stockholders will not sell, exchange or dispose of any shares of Rallybio Common Stock as a result of the Merger. Thus, there will be no material U.S. federal income tax consequences to Rallybio stockholders as a result of the Merger.

Q: What are the material U.S. federal income tax consequences of the issuance of the Rallybio CVRs, including any distributions of Rallybio Common Stock under the Rallybio CVRs?

A: Although the U.S. federal income tax treatment of the Rallybio CVRs is uncertain and the matter is not free from doubt, Rallybio intends to treat a holder's receipt of the Rallybio CVRs as a distribution of property with respect to the holder's existing shares of Rallybio Common Stock for U.S. federal income tax purposes. Please review the information in the section titled "*Agreements Related to the Merger—Rallybio Contingent Value Rights Agreement*" for a discussion of the material U.S. federal income tax consequences of the Rallybio CVRs to holders of Rallybio Common Stock.

Q: What are the material U.S. federal income tax consequences of the reverse stock split to holders of Rallybio Common Stock?

A: A holder of Rallybio Common Stock should not recognize gain or loss upon the reverse stock split, except to the extent such holder receives cash in lieu of a fractional share of Rallybio Common Stock, and subject to the discussion in the section titled "*Proposal No. 2—The Reverse Stock Split Proposal*." Please review the information in the section titled "*Proposal No. 2—The Reverse Stock Split Proposal—Material U.S. Federal Income Tax Consequences of the Reverse Stock Split*" for a more complete description of the material U.S. federal income tax consequences of the reverse stock split to holders of Rallybio Common Stock.

Q: What do I need to do now?

A: Rallybio urges you to read this proxy statement/prospectus carefully, including the annexes and the documents incorporated by reference, and to consider how the Merger affects you.

If you are a Rallybio stockholder of record, as of the record date, you may provide your proxy instructions in one of four different ways:

- You can vote using the proxy card, simply complete, sign and date the accompanying proxy card and return it promptly in the envelope provided. If you return your signed proxy card before the Rallybio annual meeting, Rallybio will vote your shares in accordance with the proxy card.
- You can vote by proxy over the internet, follow the instructions provided on the proxy card.
- You can vote by telephone by calling the toll-free number found on the proxy card.
- You may attend the Rallybio annual meeting online and vote by registering at www.virtualshareholdermeeting.com/RLYB2026. Upon entry of your control number and other required information, you will receive further instructions via email that provide you access to the Rallybio annual meeting and information on how to vote and submit questions during the Rallybio annual meeting. Simply attending the Rallybio annual meeting will not, by itself, vote your shares or revoke your proxy.

We provide internet proxy voting to allow you to vote your shares online, with procedures designed to ensure the authenticity and correctness of your proxy vote instructions. However, please be aware that you must bear any costs associated with your internet access, such as usage charges from internet access providers and telephone companies.

If you hold your shares in "street name" (as described below), you may provide your proxy instructions by following the instructions on your vote instruction form provided by your broker, bank or other agent. Please provide your proxy instructions only once, unless you are revoking a previously delivered proxy instruction, and as soon as possible so that your shares can be voted at the Rallybio annual meeting.

If you are a beneficial owner of shares registered in the name of your broker, bank or other agent, you should have received a voting instruction card and voting instructions with these proxy materials from that organization rather than from Rallybio. Simply complete and mail the voting instruction card to ensure that your vote is counted. To vote at the Rallybio annual meeting, you may visit www.virtualshareholdermeeting.com/RLYB2026, press the "Attend Meeting" button and follow the instructions. You may be instructed to obtain a legal proxy from your broker, bank, or other nominee and submit a copy in advance of the meeting. Further instructions will be provided to you via email.

Whether or not you plan to attend the Rallybio annual meeting, Rallybio encourages you to vote by proxy to ensure your vote is counted. Even if you have submitted a proxy before the Rallybio annual meeting, you may still attend the Rallybio annual meeting and vote. In such case, your previously submitted proxy will be disregarded.

Q: What happens if I do not return a proxy card or otherwise vote or provide proxy instructions, as applicable?

A: If you are a Rallybio stockholder, the failure to return your proxy card or otherwise vote or provide proxy instructions will reduce the aggregate number of votes required to approve each of the Proposals other than for Proposal No. 4, which will have the same effect as a vote "AGAINST" such Proposal.

Q: May I attend the Rallybio annual meeting and vote?

A: Stockholders of record as of _____, 2026 will be able to attend and participate in the Rallybio annual meeting online by accessing www.virtualshareholdermeeting.com/RLYB2026. To join the Rallybio annual meeting, you will need to have your control number which is included on your proxy card. If your shares are held in "street name," you should contact your bank, broker or other nominee if you did not receive a control number. If your shares are held in "street name" you will also need to provide a legal proxy to vote during the meeting.

Q: Who counts the votes?

- A: Broadridge Financial Solutions ("Broadridge") has been engaged as Rallybio's inspector of election. If you are a stockholder of record, your executed proxy card is returned directly to Broadridge for tabulation. If you hold your shares through a broker, your broker returns one proxy card to Broadridge on behalf of all its clients.

Q: If my shares of Rallybio Common Stock are held in "street name" by my broker, will my broker vote my shares for me?

- A: If you hold shares beneficially in street name and do not provide your broker or other agent with voting instructions, your shares may constitute "broker non-votes." A "broker non-vote" occurs when shares held by a broker or other agent are not voted with respect to a particular proposal because the broker or other agent does not have or did not exercise discretionary authority to vote on the matter and has not received voting instructions from its clients. Matters for which the broker does not have discretionary authority to vote are referred to as "non-routine" matters.

Rallybio expects that Proposal Nos. 1, 2, 3, 4, 5, 7, 8 and 9 will be considered to be "non-routine" matters, and thus a Rallybio stockholder's broker, bank or other agent may not vote shares on those Proposals in the absence of such holders' voting instructions. If a Rallybio stockholder does not instruct their broker how to vote with respect to these Proposals, those votes will be counted as broker "non-votes," and will have no effect on the outcome of each Proposal other than Proposal No. 4, which will have the same effect as a vote "AGAINST" such Proposal. Rallybio expects that Proposal No. 6 is considered to be a "routine" matter, and thus if a Rallybio stockholder does not return voting instructions to their broker, such holder's shares may be voted by his or her broker in its discretion. To make sure that your vote is counted, you should instruct your broker or other agent to vote your shares, following the procedures provided by your broker.

Q: What are broker non-votes and do they count for determining a quorum?

- A: Generally, a "broker non-vote" occurs when shares held by a broker are not voted with respect to a particular proposal because the broker does not have or did not exercise discretionary authority to vote on the matter and has not received voting instructions from its clients.

Broker non-votes will be treated as shares present for the purpose of determining the presence of a quorum for the transaction of business at the Rallybio annual meeting, but will not be counted as votes cast and will have no effect on the outcome of the vote for each of Proposals No. 1, 2, 3, 5, 6, 7, 8 and 9. Broker non-votes will have the same effect as votes "AGAINST" Proposal No. 4.

Q: May I change my vote after I have submitted a proxy or provided proxy instructions?

- A: Rallybio stockholders of record, unless such stockholder's vote is subject to a support agreement, may change their vote at any time before their proxy is voted at the Rallybio annual meeting in one of four ways:

- You may submit another properly completed proxy with a later date by mail or via the internet.
- You can provide your proxy instructions via telephone at a later date.
- You may send an instrument in writing revoking the proxy or another duly executed proxy bearing a later date to Rallybio's corporate secretary. Any written notice of revocation or subsequent proxy card must be received by the corporate secretary prior to the taking of the vote at the annual meeting. Such written notice of revocation or subsequent proxy card should be sent to Rallybio's Corporate Secretary at Rallybio Corporation, 234 Church Street, New Haven, CT 06510, Attention: Secretary.
- You may attend the Rallybio annual meeting online and vote by registering at www.virtualshareholdermeeting.com/RLYB2026. Upon entry of your control number and other required information, you will receive further instructions via email that provide you access to the Rallybio annual meeting and information on how to vote and submit questions during the Rallybio annual meeting. Simply attending the Rallybio annual meeting will not, by itself, vote your shares or revoke your proxy.

All properly executed proxies that are not revoked will be voted at the Rallybio annual meeting and at any adjournments or postponements of the Rallybio annual meeting in accordance with the instructions contained in

the proxy. **If a holder of Rallybio Common Stock executes and returns a proxy and does not specify otherwise, the shares represented by that proxy will be voted "FOR" all of the Proposals in accordance with the recommendations of the Rallybio Board.**

If a Rallybio stockholder who owns shares of Rallybio Common Stock in "street name" has instructed a broker to vote its shares of Rallybio Common Stock, the stockholder must follow directions received from its broker to change those instructions.

Q: Who is soliciting and paying for this proxy solicitation?

A: Rallybio and Candid are paying 40% and 60%, respectively, of the cost of (i) filing and printing of this proxy statement/prospectus and any amendments and supplements hereto and paid to the financial printer or the SEC and (ii) the proxy solicitation firm engaged in connection with the Rallybio annual meeting. Arrangements will also be made with brokerage firms and other custodians, nominees and fiduciaries who are record holders of Rallybio Common Stock for the forwarding of solicitation materials to the beneficial owners of Rallybio Common Stock. Rallybio will reimburse these brokers, custodians, nominees and fiduciaries for the reasonable out-of-pocket expenses they incur in connection with the forwarding of solicitation materials. Rallybio has retained Georgeson LLC ("Georgeson") to assist it in soliciting proxies using the means referred to above. Rallybio and Candid will pay the fees of Georgeson, which Rallybio expects to be approximately \$40,000, plus reimbursement of reasonable and customary out-of-pocket expenses. In addition to solicitation by mail, the directors, officers, employees and agents of Rallybio may solicit proxies from Rallybio stockholders by personal interview, telephone, email, fax or otherwise.

Q: Who can help answer my questions?

A: If you are a Rallybio stockholder and would like additional copies of this proxy statement/prospectus without charge or if you have questions about the Merger or related matters, including the procedures for voting your shares, you should contact Rallybio's proxy solicitor, Georgeson, at the following address, telephone number or email address:

51 West 52nd Street, 6th Floor
New York NY 10019
Call Toll Free: (866) 539-7406
Email: rallybio@georgeson.com

PROSPECTUS SUMMARY

This summary highlights selected information from this proxy statement/prospectus and may not contain all of the information that is important to you. To better understand the Merger and the proposals being considered at the Rallybio annual meeting, you should read this entire proxy statement/prospectus carefully, including the Merger Agreement and the other annexes to which you are referred in this proxy statement/prospectus, and the documents incorporated by reference therein. For more information, please see the section titled "Where You Can Find More Information" beginning on page 420 of this proxy statement/prospectus. Except where specifically noted, the following information and all other information contained in this proxy statement/prospectus does not give effect to the proposed reverse stock split described in Proposal No. 2 of this proxy statement/prospectus.

The Companies

Rallybio

Rallybio is a clinical-stage biotechnology company comprised of experienced biopharma industry leaders with extensive research, development, and rare disease expertise with a mission to develop and commercialize life-transforming therapies for patients with severe and rare diseases. Rallybio's lead program, RLYB116, is a differentiated complement component 5 ("C5") inhibitor with the potential to treat diseases of complement dysregulation. In addition, RLYB332, a long-acting matriptase-2 ("MTP-2") antibody for the treatment of diseases of iron overload, is currently in preclinical development.

Candid

Candid is a global clinical-stage biotechnology company focused on building the leading portfolio of TCE therapeutics to treat autoimmune diseases, which affect an estimated 5-10% of the global population. Despite available treatments, many patients experience persistent disease activity, progressive organ damage, and lifelong dependence on immunosuppressive therapies that provide incomplete disease control and cause significant adverse events. Cizutamig, which targets B-cell maturation antigen ("BCMA"), is Candid's lead clinical-stage TCE program and is advancing into global Phase 2 studies in generalized myasthenia gravis ("gMG") and systemic autoimmune rheumatic diseases—interstitial lung disease ("SARD-ILD"). TCEs harness a patient's own T cells to deplete pathogenic B-cells, with the potential to deliver either deep depletion of B-cells, which could provide durable disease remission ("immune reset"), or partial depletion of B-cells, which could provide for controlled, sustained disease management ("immune dimming").

Candid has built a diversified pipeline of four wholly-owned TCE programs in development targeting distinct B-cell antigens—BCMA, CD20, and CD19. Candid's most advanced clinical stage program, cizutamig, is a BCMA TCE that is being investigated in multiple Phase 1 dose-escalation trials in patients with gMG and systemic lupus erythematosus ("SLE") as well as investigator-initiated trials ("IITs") in SARD-ILD, systemic sclerosis ("SSc"), and other diseases. Biopsies obtained post treatment with cizutamig show deep B-cell depletion, including in plasma cells, bone marrow and lymph nodes. In patients with gMG, Candid has seen clinical improvements with standardized physician and patient disease activity indices. In patients with SARD-ILD, Candid has seen improvements in lung function as measured by increases in force vital capacity ("FVC"). Cizutamig has demonstrated a favorable tolerability profile in patients with autoimmune disease with low rates of adverse events related to cytokine release and no deaths or dose-limiting adverse events. Candid plans to initiate global Phase 2 clinical trials in gMG and SARD-ILD by the middle of 2026. In gMG, Candid plans to conduct a head-to-head study comparing cizutamig to VYVGART®, a neonatal Fc receptor ("FcRn") antagonist therapy.

Candid's second clinical-stage program, CND261, is a CD20 TCE that is being investigated in Phase 1 dose-escalation studies in patients with rheumatoid arthritis ("RA"), SLE, as well as an IIT in ANCA-associated vasculitis. CND261 was engineered with the goal of achieving deeper B-cell depletion than approved CD20-targeted monoclonal antibodies ("mAbs") such as Rituxan® or GAZYVA®. Lymph node biopsies post treatment with CND261 in patients with autoimmune disease shows deep depletion of CD20 positive B-cells.

CND261 has demonstrated a favorable tolerability profile in patients with autoimmune disease with low rates of adverse events related to cytokine release and no deaths or dose-limiting adverse events. Beyond these two clinical programs, Candid has built a pipeline of next-generation trispecific TCEs, each designed to target two different antigens expressed on B-cells. CND319 is a TCE that targets CD19 and CD20 for B-cell depletion. In non-human primate studies, single doses of CND319 show deep tissue B-cell depletion with minimal cytokine release. Candid expects to initiate first-in-human studies for CND319 in the middle of 2026. CND460 is a TCE that targets CD19 and BCMA and is currently undergoing IND-enabling studies with first-in-human trials planned for the first half of 2027.

Candid has built a portfolio of four TCE programs at various stages of development. Candid’s current pipeline is summarized in the table below.

Drug Candidate	Clinical Focus	Discovery	IND-enabling	Phase 1	Phase 2	Phase 3	Anticipated Near-Term Milestones
Cizutamig (BCMA/CD3)	Autoantibody driven autoimmune diseases ¹						• 1H '26: Complete subcutaneous Ph1 study • Mid '26: Start Ph2 studies
CND261 (CD20/CD3)	Autoimmune diseases ²						• 1H '26: Initial clinical data
CND319 (CD19/CD20/CD3)	Autoimmune diseases						• Mid '26: First-in-human studies
CND460 (BCMA/CD19/CD3)	Autoimmune diseases						• 1H '27: First-in-human studies

¹Phase 1 multiple myeloma (MM) completed (10 patients)
²Phase 1 Non-Hodgkin's lymphoma (NHL) completed (93 patients)

Candid’s principal executive offices are located at 11622 El Camino Real, Suite 150, San Diego, CA 92130, and its telephone number is (858) 247-0550. Candid’s website address is www.candidrx.com. Candid’s website is included as an inactive textual reference and the information contained on, or that can be accessed through, Candid’s website is not a part of this proxy statement/prospectus.

Merger Sub

Merger Sub is a direct, wholly owned subsidiary of Rallybio and was formed solely for the purpose of carrying out the Merger. Merger Sub’s principal executive offices are located at 234 Church Street, New Haven, Connecticut 06510, and its telephone number is (203) 859-3820.

The Merger (see page 154)

On March 1, 2026, Rallybio, Merger Sub, and Candid entered into the Merger Agreement. Subject to the terms and conditions in the Merger Agreement, at the Effective Time, Merger Sub will merge with and into Candid, with Candid surviving as a wholly owned subsidiary of Rallybio. This transaction is referred to as the Merger.

The Merger will become effective at the time the Certificate of Merger has been duly filed with the Secretary of State of the State of Delaware or such other date and time as is agreed upon by Rallybio and Candid and specified in the Certificate of Merger in accordance with the DGCL, subject to the satisfaction or waiver of certain conditions to the closing, including, among other things, approval by Rallybio’s stockholders of the Nasdaq Stock Issuance Proposal, the Reverse Stock Split Proposal and the Name Change Proposal.

Under the Exchange Ratio and Concurrent Financing Exchange Ratio formulas in the Merger Agreement, immediately after the Closing, on a pro forma basis and based upon the number of shares of Rallybio Common Stock expected to be issued in connection with the Merger, pre-Merger equityholders of Candid (other than

investors in the Concurrent Financing) are expected to own approximately 57.55% of the combined company, pre-Merger equityholders of Rallybio are expected to own approximately 3.65% of the combined company and the investors in the Concurrent Financing are expected to own approximately 38.80% (assuming proceeds from the Concurrent Financing of \$505.5 million), in each case, calculated on a fully diluted basis, using the treasury stock method, and subject to certain assumptions, including (i) a valuation for Rallybio of \$47.5 million (assuming Rallybio Net Cash of \$37.5 million as of the Closing), (ii) a fixed valuation for Candid of \$750.0 million, and (iii) the relative capitalization of Rallybio and Candid. The percentage of the combined company that each party's equityholders will own following the Closing is subject to certain adjustments (as described in more detail in the section titled "*The Merger Agreement—Merger Consideration and Exchange Ratio*"), including the amount of the final Rallybio Net Cash at the Closing.

Rallybio's Reasons for the Merger (see page 166)

In the course of its evaluation of the Merger, the Merger Agreement and the Contemplated Transactions, the Rallybio Board held numerous meetings, consulted with Rallybio management, its legal counsel and its financial advisors and reviewed and assessed a significant amount of information and, in reaching its decision to approve the Merger, the Merger Agreement and the Contemplated Transactions, the Rallybio Board considered various reasons for the Merger, as described later in this proxy statement/prospectus under the section titled "*The Merger—Rallybio's Reasons for the Merger*."

Candid's Reasons for the Merger (see page 169)

In the course of its evaluation of the Merger, the Merger Agreement and the Contemplated Transactions, the Candid Board held meetings and conducted discussions, consulted with Candid senior management and legal counsel, and considered a wide variety of factors and, in reaching its decision to approve the Merger, the Merger Agreement and the Contemplated Transactions, the Candid Board considered the following factors:

- the Candid Board's belief that, after reviewing various financing options to enhance stockholder value, the Merger and Concurrent Financing represented the most favorable alternative reasonably available to Candid;
- Candid's prospects if it were to remain an independent privately held company, including its need to obtain additional financing and the terms on which it would be able to obtain such financing, if at all;
- the cash resources of the combined company expected to be available upon the closing of the Concurrent Financing and consummation of the Merger (including the ability to support Candid's current and planned clinical trials and operations);
- the access, as a public company, to a broader range of investors to support the development of Candid's product candidates than if Candid continued to operate as a privately held company;
- the potential to provide its current stockholders with greater liquidity by owning stock in a public company;
- the expectation that substantially all of Candid's employees, including its management, will serve in similar roles at the combined company;
- the terms and conditions of the Merger Agreement;
- the anticipated Nasdaq listing of the combined company's common stock and the adoption of the name "Candid Therapeutics, Inc." for the combined company; and
- the likelihood that the Merger will be consummated on a timely basis.

For additional information, please see the section titled "*The Merger—Candid's Reasons for the Merger*" of this proxy statement/prospectus.

Recommendation of the Rallybio Board

- The Rallybio Board has determined and believes that the issuance of shares of Rallybio Common Stock pursuant to the Merger Agreement is fair to, advisable and in the best interests of Rallybio and its stockholders and has approved such issuance. The Rallybio Board unanimously recommends that Rallybio stockholders vote "**FOR**" the Nasdaq Stock Issuance Proposal.

- The Rallybio Board has determined and believes that it is fair to, advisable and in the best interests of Rallybio and its stockholders to approve the amendment to Rallybio's amended and restated certificate of incorporation to effect the reverse stock split, as described in this proxy statement/prospectus. The Rallybio Board unanimously recommends that Rallybio stockholders vote **"FOR"** the Reverse Stock Split Proposal.
- The Rallybio Board has determined and believes that it is fair to, advisable and in the best interests of Rallybio and its stockholders to approve the amendment to Rallybio's amended and restated certificate of incorporation to change its name to "Candid Therapeutics, Inc.", as described in this proxy statement/prospectus. The Rallybio Board unanimously recommends that Rallybio stockholders vote **"FOR"** the Name Change Proposal.
- The Rallybio Board has determined and believes that it is fair to, advisable and in the best interests of Rallybio and its stockholders to approve the amendment to Rallybio's amended and restated certificate of incorporation to increase the number of authorized shares of Rallybio Common Stock from 200,000,000 shares to 500,000,000 shares, as described in this proxy statement/prospectus. The Rallybio Board unanimously recommends that Rallybio stockholders vote **"FOR"** the Authorized Share Increase Proposal.
- The Rallybio Board has determined and believes that it is fair to, advisable and in the best interests of Rallybio and its stockholders to elect each of Helen M. Boudreau, Lucian Iancovici, and Christine A. Nash, as Class II directors, each for a three-year term, as described in this proxy statement/prospectus; provided that if the Merger is consummated, the approval of the Director Election Proposal will only have an effect until the completion of the Merger because the composition of Rallybio's board of directors will be reconstituted upon completion of the Merger, in accordance with the Merger Agreement. The Rallybio Board unanimously recommends that Rallybio stockholders vote **"FOR"** each of the director nominees named in the Director Election Proposal.
- The Rallybio Board has determined and believes that it is fair to, advisable and in the best interests of Rallybio and its stockholders to ratify the selection of Deloitte as Rallybio's independent registered public accounting firm for the fiscal year ending December 31, 2026, as described in this proxy statement/prospectus. The Rallybio Board unanimously recommends that Rallybio stockholders vote **"FOR"** the Auditor Ratification Proposal.
- The Rallybio Board has determined and believes that it is fair to, advisable and in the best interests of Rallybio and its stockholders to approve the 2026 Plan. The Rallybio Board unanimously recommends that Rallybio stockholders vote **"FOR"** the 2026 Plan Proposal.
- The Rallybio Board has determined and believes that it is fair to, advisable and in the best interests of Rallybio and its stockholders to approve the 2026 ESPP. The Rallybio Board unanimously recommends that Rallybio stockholders vote **"FOR"** the 2026 ESPP Proposal.
- The Rallybio Board has determined and believes that adjourning the Rallybio annual meeting, if necessary, to solicit additional proxies if there are not sufficient votes in favor of the Nasdaq Stock Issuance Proposal the Reverse Stock Split Proposal, the Name Change Proposal and/or the Authorized Share Proposal is fair to, advisable and in the best interests of Rallybio and its stockholders and has approved and adopted the proposal. The Rallybio Board unanimously recommends that Rallybio stockholders vote **"FOR"** the Adjournment Proposal, if necessary.

Interests of Rallybio's Directors and Executive Officers in the Merger (see page 177)

In considering the recommendation of the Rallybio Board with respect to issuing shares of Rallybio Common Stock in the Merger and other matters to be acted upon by the Rallybio stockholders at the Rallybio annual meeting, the Rallybio stockholders should be aware that Rallybio's directors and executive officers have interests in the Merger that are different from, or in addition to, the interests of Rallybio stockholders generally. These interests include the following:

- Under the Merger Agreement, Rallybio's directors and executive officers are entitled to continued indemnification, expense advancements and insurance coverage.

- In connection with the Merger, each option to purchase Rallybio Common Stock, restricted stock unit with respect to Rallybio Common Stock and performance-based stock unit with respect to Rallybio Common Stock held by Rallybio's directors and executive officers as of the Effective Time will vest in full upon the Closing.
- Each Rallybio executive officer may be eligible to receive enhanced severance benefits pursuant to their respective employment agreements with Rallybio in the event of a qualifying termination of employment following the Merger.

These interests are discussed in more detail in the section titled "*The Merger-Interests of Rallybio's Directors and Executive Officers in the Merger*" of this proxy statement/prospectus. The Rallybio Board was aware of these potential conflicts of interests and considered them, among other matters, in reaching its decision to approve the Merger Agreement and the Merger, and to recommend that the Rallybio stockholders approve the proposals to be presented to the Rallybio stockholders for consideration at the Rallybio annual meeting as contemplated by this proxy statement/prospectus.

Interests of Candid's Directors and Executive Officers in the Merger (see page 181)

In considering the recommendation of the Candid Board with respect to approving the Merger, Rallybio stockholders should be aware that Candid's directors and executive officers have interests in the Merger that are different from, or in addition to, the interests of Candid stockholders generally. These interests may present them with actual or potential conflicts of interest, and these interests, to the extent material, are described below:

- As of February 28, 2026, the directors and executive officers of Candid as a group beneficially owned in the aggregate approximately 7.1% of the outstanding shares of Candid Capital Stock. In addition, Dr. Song, his spouse and children are beneficiaries of the Song Beneficiary Trust U/T/A November 6, 2024 (the "Song Beneficiary Trust"), which is managed by an independent third-party trustee and which holds approximately 6.5% of the outstanding shares of Candid Capital Stock.
- Under the terms of the Merger Agreement, each Candid stock option that is outstanding and unexercised immediately prior to the Effective Time under Candid's 2024 Equity Incentive Plan, as may be amended from time to time (the "Candid 2024 Plan"), whether or not vested, will be converted into and become an option to purchase shares of Rallybio Common Stock at the Effective Time. Rallybio will assume the Candid 2024 Plan and all such Candid stock options in accordance with the terms of the Candid 2024 Plan and the terms of the stock option agreement by which such option is evidenced.
- As of February 28, 2026, each of Dr. Song, Dr. Lu, Mr. Kush, Dr. Huyghe, Dr. You and Mr. Puckett beneficially own Candid stock options to purchase 10,000,000, 1,200,000, 1,000,000, 500,000, 200,000 and 200,000 shares of Candid Common Stock, respectively, that will vest or begin vesting, if at all, upon or following a Liquidity Event (as defined below), which will be satisfied in connection with the Contemplated Transactions. In addition, Mr. Puckett holds a Candid stock option to purchase 1,638,750 shares of Candid Common Stock that is subject to time-based vesting conditions. All of these Candid stock options will be assumed by Rallybio and converted into options to purchase Rallybio Common Stock in accordance with the Merger Agreement.
- Candid's directors and executive officers are currently expected to become directors and executive officers of the combined company following the Closing.
- Under the Merger Agreement, Candid's directors and executive officers are entitled to continued indemnification, expense advancement and insurance coverage.

These interests are discussed in more detail in the section titled "*The Merger—Interests of Candid's Directors and Executive Officers in the Merger*" of this proxy statement/prospectus. The Candid Board was aware of these potential conflicts of interests and considered them, among other matters, in reaching its decision to approve the Merger Agreement and the Merger, and to recommend that the Candid stockholders approve the Merger.

Opinion of Citizens JMP Securities, LLC (see page 171)

Rallybio retained Citizens JMP Securities, LLC ("Citizens") as a financial advisor in connection with the Merger. The Rallybio Board selected Citizens to act as Rallybio's financial advisor based on Citizens' qualifications, reputation, experience and expertise in the biopharmaceuticals industry, its knowledge of and involvement in recent transactions in the biopharmaceutical industry, and its relationship and familiarity with Rallybio and its business. Citizens is an internationally recognized investment banking firm that has substantial experience in transactions similar to this transaction.

On March 1, 2026, Citizens delivered to the Rallybio Board its written opinion that, as of such date and based upon and subject to the various assumptions made, and the qualifications and limitations upon the review undertaken by Citizens in preparing its opinion, the Exchange Ratio to be paid by Rallybio pursuant to the terms of the Merger Agreement is fair, from a financial point of view, to Rallybio. The full text of the written opinion of Citizens, which describes the assumptions made and the qualifications and limitations upon the review undertaken by Citizens in preparing its opinion, is attached as Annex B to this proxy statement/prospectus and is incorporated herein by reference.

Citizens' financial advisory services and opinion were provided for the information and assistance of the Rallybio Board (in their capacity as directors and not in any other capacity) in connection with and for purposes of the Rallybio Board's consideration of the Merger and the opinion of Citizens addressed only the fairness, from a financial point of view, as of the date thereof, to Rallybio of the Exchange Ratio to be paid by Rallybio pursuant to the terms of the Merger Agreement. The opinion of Citizens did not address any other term or aspect of the Merger Agreement or the Merger and did not and does not constitute a recommendation to any stockholder of Rallybio or Candid as to whether or how such holder should vote with respect to the Merger or otherwise act with respect to the Merger or any other matter.

The full text of the written opinion of Citizens should be read carefully in its entirety for a description of the assumptions made and qualifications and limitations upon the review undertaken by Citizens in preparing its opinion.

The Merger Agreement

Merger Consideration and Exchange Ratio (see page 187)

At the Effective Time, each outstanding share of Candid Capital Stock (excluding shares held by stockholders who have exercised and perfected appraisal rights, shares held as treasury stock by Candid or held or owned by Rallybio, Merger Sub or any subsidiary of Rallybio or Candid, and shares issued in the Concurrent Financing) will be converted into the right to receive a number of shares of Rallybio Common Stock equal to the Exchange Ratio. Additionally, shares of Candid Capital Stock issued in the Concurrent Financing will be converted solely into the right to receive a number of shares of Rallybio Common Stock equal to the Concurrent Financing Exchange Ratio, which is calculated by multiplying the total amount of Concurrent Financing Merger Shares (as defined below) by the percentage of the proceeds resulting from the Concurrent Financing ("Concurrent Financing Proceeds") (as defined below) represented by the applicable stockholder's investment in the Concurrent Financing, as set forth on the Allocation Certificate (as defined in the Merger Agreement).

No fractional shares of Rallybio Common Stock will be issued in connection with the Merger, and any holder of Candid Capital Stock who would otherwise be entitled to receive a fraction of a share of Rallybio Common Stock (after aggregating all fractional shares of Rallybio Common Stock issuable to such holder) will receive from Rallybio, in lieu of such fraction of a share: (i) one share of Rallybio Common Stock if the aggregate amount of fractional shares to which such holder would otherwise be entitled is equal to or exceeds 0.50; or (ii) no shares of Rallybio Common Stock if such aggregate amount is less than 0.50, with no cash being paid for any fractional share eliminated by such rounding.

Based on an assumed Exchange Ratio of 0.0716, which assumes (i) a reverse stock split of Rallybio Common Stock of 1-for-2.5, to be implemented immediately prior to the Closing, as may be adjusted, (ii) a valuation of

Rallybio of \$47.5 million (assuming Rallybio Net Cash at the Closing of \$37.5 million), (iii) a fixed valuation of Candid of \$750.0 million (iv) the relative capitalization of Rallybio and Candid, and (v) proceeds from the Concurrent Financing of \$505.5 million, Rallybio expects that it will issue approximately 62,246,687 shares of Rallybio Common Stock in the Merger, excluding any shares that may be subsequently issued in connection with the exercise of Candid stock options assumed by Rallybio and assuming no stockholders of Candid exercise and perfect their appraisal rights.

The Exchange Ratio and Concurrent Financing Exchange Ratio Formulas pursuant to which shares of Candid Capital Stock will be converted into shares of Rallybio Common Stock is derived based on (i) a Candid fixed valuation of \$750.0 million and (ii) an initial Rallybio valuation of \$47.5 million, subject to certain adjustments based on Rallybio Net Cash at the Closing. The Rallybio valuation used to determine the Exchange Ratio will be increased or decreased on a dollar-for-dollar basis to reflect the amount by which Rallybio Net Cash at Closing is greater than or less than the Rallybio Target Net Cash (as defined in the Merger Agreement) of \$37.5 million.

Immediately after the Closing, under the Exchange Ratio and Concurrent Financing Exchange Ratio formulas in the Merger Agreement, on a pro forma basis and based upon the number of shares of Rallybio Common Stock expected to be issued in connection with the Merger, the pre-Merger equityholders of Candid (other than holders of shares issued in connection with the Concurrent Financing) are expected to own approximately 57.55% of the combined company, the pre-Merger equityholders of Rallybio are expected to own approximately 3.65% of the combined company, and the holders of shares issued in connection with the Concurrent Financing are expected to own approximately 38.80% of the combined company (assuming proceeds from the Concurrent Financing of \$505.5 million), in each case, calculated on a fully diluted basis, using the treasury stock method, and subject to certain assumptions, including (i) a valuation for Rallybio of \$47.5 million (assuming Rallybio Net Cash of \$37.5 million as of the Closing), (ii) a fixed valuation for Candid of \$750.0 million and (iii) the relative capitalization of Rallybio and Candid. The percentage of the combined company that each party's equityholders will own following the Closing is subject to certain adjustments. The Exchange Ratio and Concurrent Financing Exchange Ratio formulas assume an implied value of the combined company of approximately \$1.303 billion, subject to certain adjustments.

For more information about the Merger Consideration and Exchange Ratio, see the section titled "*The Merger Agreement—Merger Consideration and Exchange Ratio*" of this proxy statement/prospectus.

Treatment of Rallybio Equity Awards (see page 179)

The Merger Agreement provides that, prior to the Effective Time, Rallybio will take all actions necessary to provide that all Rallybio equity awards will be fully vested as of the Effective Time and that all options to purchase Rallybio common stock will remain exercisable for no longer than 90 days following the termination of service of the holder of such option.

Treatment of Candid Stock Options (see page 181)

Under the terms of the Merger Agreement, each Candid stock option that is outstanding and unexercised immediately prior to the Effective Time under the Candid 2024 Plan, whether or not vested, will be converted into and become an option to purchase shares of Rallybio Common Stock at the Effective Time. Rallybio will assume the Candid 2024 Plan and all such Candid stock options in accordance with the terms of the Candid 2024 Plan and the terms of the stock option agreement by which such Candid stock option is evidenced.

Conditions to the Completion of the Merger (see page 191)

The obligations of Rallybio and Candid to consummate the Merger are subject to the satisfaction or waiver, on or prior to the Effective Time, of the conditions set forth in the section titled "*The Merger Agreement—Conditions to the Completion of the Merger*" below.

Non-Solicitation (see page 196)

Capitalized terms in this section are as defined in the section titled "*The Merger Agreement—Non-Solicitation*."

Rallybio and its subsidiaries and their respective representatives are prohibited by the terms of the Merger Agreement, other than with respect to any Asset Disposition, from, directly or indirectly, (i) soliciting, initiating or knowingly encouraging, inducing or facilitating the communication, making, submission or announcement of any Acquisition Proposal or Acquisition Inquiry or taking any action that could reasonably be expected to lead to an Acquisition Proposal or Acquisition Inquiry; (ii) furnishing any non-public information regarding Rallybio or any of its subsidiaries to any person in connection with or in response to an Acquisition Proposal or Acquisition Inquiry; (iii) engaging in discussions (other than to inform any person of the existence of these prohibitions) or negotiations with any person with respect to any Acquisition Proposal or Acquisition Inquiry; (iv) approving, endorsing or recommending any Acquisition Proposal; (v) executing or entering into any letter of intent or any contract contemplating or otherwise relating to any Acquisition Transaction (as defined below) (other than a confidentiality agreement permitted as described below); or (vi) publicly proposing to do any of the foregoing.

Notwithstanding the foregoing, subject to compliance with the non-solicitation obligations set forth in the Merger Agreement, and prior to obtaining the Required Rallybio Stockholder Vote, Rallybio and its subsidiaries may furnish non-public information regarding Rallybio or any of its subsidiaries to, and enter into discussions or negotiations with, any person in response to a bona fide Acquisition Proposal by such person, which the Rallybio Board has determined in good faith, after consultation with the Rallybio's outside financial advisors and outside legal counsel, constitutes, or is reasonably likely to result in, a Superior Offer (and is not withdrawn) if: (A) none of Rallybio, any of its subsidiaries or any of their respective representatives shall have breached the applicable non-solicitation restrictions in the Merger Agreement of the Merger Agreement in any material respect, (B) the Rallybio Board concludes in good faith based on the advice of outside legal counsel, that the failure to take such action would be inconsistent with the fiduciary duties of the Rallybio Board under applicable law; (C) Rallybio receives from such person an executed confidentiality agreement containing provisions, in the aggregate, at least as favorable to Rallybio as those contained in the Mutual Confidential Disclosure Agreement, dated as of February 2, 2026, by and between Rallybio and Candid (the "Confidentiality Agreement"); and (D) substantially contemporaneously with furnishing any such non-public information to such person, Rallybio gives Candid notice of Rallybio's intention to furnish nonpublic information to, or enter into discussions with, such person and furnishes such non-public information to Rallybio (to the extent such information has not been previously furnished by Rallybio to Candid).

Candid and its subsidiaries and their respective representatives are prohibited by the terms of the Merger Agreement from, directly or indirectly, (i) soliciting, initiating or knowingly encouraging, inducing or facilitating the communication, making, submission or announcement of any Acquisition Proposal or Acquisition Inquiry or taking any action that could reasonably be expected to lead to an Acquisition Proposal or Acquisition Inquiry; (ii) furnishing any non-public information regarding Candid or any of its subsidiaries to any person in connection with or in response to an Acquisition Proposal or Acquisition Inquiry; (iii) engaging in discussions (other than to inform any person of the existence of these prohibitions) or negotiations with any person with respect to any Acquisition Proposal or Acquisition Inquiry; (iv) approving, endorsing or recommending any Acquisition Proposal; (v) executing or entering into any letter of intent or any contract contemplating or otherwise relating to any Acquisition Transaction; or (vi) publicly proposing to do any of the foregoing.

Notwithstanding the foregoing, subject to compliance with the non-solicitation obligations set forth in the Merger Agreement, and prior to obtaining the Required Candid Stockholder Vote (as defined in the Merger Agreement), Candid and its subsidiaries may solicit any Acquisition Proposal and furnish non-public information regarding Candid or any of its subsidiaries to, and enter into discussions or negotiations with, any person, including any person not making such Acquisition Proposal, following receipt of a bona fide Acquisition Proposal by any person, which the Candid Board has determined in good faith, after consultation with the Candid's outside financial advisors and outside legal counsel, constitutes, or is reasonably likely to result in, a Superior Offer if: (A) none of Candid, any of its subsidiaries or any of their respective representatives shall have breached the applicable non-solicitation restrictions in the Merger Agreement in any material respect, (B) the Candid Board concludes in good faith based on the advice of outside legal counsel, that the failure to take such action would be inconsistent with the fiduciary duties of the Candid Board under

applicable law; and (C) Candid receives from such person an executed confidentiality agreement containing provisions, in the aggregate, at least as favorable to Candid as those contained in the Confidentiality Agreement.

Termination and Termination Fees (see page 205)

Each of Candid or Rallybio may terminate the Merger Agreement under certain circumstances, which would prevent the Merger from being consummated.

If the Merger Agreement is terminated under certain circumstances, Rallybio will be required to pay Candid a termination fee of \$1.425 million, and if the Merger Agreement is terminated under certain other circumstances, Candid may be required to pay Rallybio a termination fee of up to \$50 million, plus, in each case, up to a maximum of \$500,000 in the reimbursement of reasonable out-of-pocket fees and expenses, which will be credited against the payment of any termination fee.

Support Agreements (see page 210)

Concurrently with the execution of the Merger Agreement, the executive officers and directors and certain other stockholders of Rallybio holding approximately 24.8% of the outstanding Rallybio capital stock as of March 1, 2026 entered into support agreements in favor of Candid, providing among other things, that such officers, directors and stockholders (x) will vote all of their shares of Rallybio capital stock, among other things: (i) in favor of approving the Contemplated Transactions, including the Rallybio Stockholder Matters (as defined in the Merger Agreement), the Authorized Share Increase Proposal and the other actions contemplated by the Merger Agreement, (ii) against any proposal made in opposition to, or in competition with, the Merger Agreement or the Merger and (iii) against any acquisition proposal involving a third party and (y) will not solicit or negotiate alternative acquisition proposal or inquiries in their capacities as stockholders of Rallybio.

Concurrently with the execution of the Merger Agreement, certain officers, directors and stockholders of Candid holding approximately 66.14% of the outstanding Candid Capital Stock as of March 1, 2026 entered into the Candid Support Agreements in favor of Rallybio, providing among other things, that such executive officers, directors and stockholders (x) will vote all of their shares of Candid Capital Stock, among other things: (i) in favor of adopting the Merger Agreement and approving the Merger, the other Contemplated Transactions, the Candid Stockholder Matters (as defined in the Merger Agreement) and the other actions contemplated by the Merger Agreement, (ii) against any proposal made in opposition to, or in competition with, the Merger Agreement or the Merger and (iii) against any acquisition proposal involving a third party and (y) will not solicit or negotiate alternative acquisition proposal or inquiries in their capacities as stockholders of Candid.

Lock-Up Agreements (see page 210)

Concurrently with the execution of the Merger Agreement, the officers, directors, certain stockholders of Candid and who collectively hold approximately 66.21% of the Candid Capital Stock as of March 1, 2026, entered into lock-up agreements, pursuant to which, subject to specified exceptions, such persons accepted certain restrictions on transfers of the shares of Rallybio Common Stock beneficially held by such persons or such persons' family members (other than shares received as a result of the conversion of shares received in the Concurrent Financing) for the 180-day period following the Effective Time.

Subscription Agreement and Registration Rights Agreement (see page 210)

Concurrently with the execution and delivery of the Merger Agreement, the Investors entered into the Subscription Agreement with Candid, pursuant to which such Investors have agreed to purchase, immediately prior to the Merger, shares of Candid Common Stock representing an aggregate commitment of approximately \$505.5 million in the Concurrent Financing. The shares of Candid Common Stock that are issued in the Concurrent Financing will be or will have the right to be, respectively, converted into shares of Rallybio Common Stock in the Merger.

Rallybio, Candid and the Investors have also agreed to enter into the Registration Rights Agreement at the closing of the Concurrent Financing, pursuant to which, among other things, the combined company will agree to provide for the registration and resale of certain shares of Candid Common Stock that are held by the

Investors from time to time, including the shares of Rallybio Common Stock issued in exchange for shares of Candid Common Stock sold in the Concurrent Financing.

The closing of the Concurrent Financing is conditioned upon the satisfaction or waiver of the conditions set forth in the Subscription Agreement and the satisfaction or waiver of all conditions to the Closing set forth in the Merger Agreement.

Rallybio Contingent Value Rights Agreement (see page 212)

Prior to the Effective Time, Rallybio and the designated rights agent are expected to enter into the Rallybio CVR Agreement, pursuant to which holders of Rallybio Common Stock, pre-funded warrants, restricted stock units and in the money stock options as of the close of business on the last business day prior to the day on which the Effective Time occurs will receive one Rallybio CVR for each outstanding share, or share underlying such pre-funded warrant or equity award, held by such holder. Each Rallybio CVR holder will be entitled to receive on a pro rata basis all of the net proceeds received, if any, by Rallybio as a result of payment of (i) any upfront, milestone, or royalty payments received under any disposition agreement related to the Legacy Assets, and (ii) any cash proceeds received from Recursion related to the earlier sale of Rallybio's REV102 in July 2025. For a period of one year after the Closing, the combined company will use commercially reasonable efforts to effect the disposition of any remaining Legacy Assets.

Pursuant to the Rallybio CVR Agreement, each Rallybio CVR holder will be entitled to certain rights to receive 100% of the Rallybio CVR Payments actually received by Rallybio during an annual period (or portion thereof) beginning on the effective date of the Rallybio CVR Agreement and ending on December 31 of any given calendar year during the period beginning on the Closing and ending on December 31, 2030 (each such annual period, a "CVR Payment Period"). Such proceeds are subject to certain permitted deductions, including for applicable tax payments, certain expenses incurred by Rallybio or its affiliates, losses incurred or reasonably expected to be incurred by Rallybio or its affiliates due to thirdparty claims, demands, actions, or other proceedings relating to or in connection with any disposition, any liabilities borne by Rallybio or any of its affiliates pursuant to contracts related to Legacy Assets and any amounts payable to the designated rights agent.

The Rallybio CVR Payments, if any, will become payable to the designated rights agent for subsequent distribution to the Rallybio CVR holders. In the event that no such proceeds are received during a CVR Payment Period, holders of the Rallybio CVRs will not receive any payment pursuant to the Rallybio CVR Agreement for such CVR Payment Period. There can be no assurance that any Rallybio CVR holders will receive any Rallybio CVR Payments.

The right to the contingent payments contemplated by the Rallybio CVR Agreement is a contractual right only and is not transferable, except in the limited circumstances specified in the Rallybio CVR Agreement. The Rallybio CVRs are not evidenced by a certificate or any other instrument and are not registered with SEC. The Rallybio CVRs do not have any voting or dividend rights and do not represent any equity or ownership interest in Rallybio or any of its respective affiliates. No interest will accrue on any amounts payable in respect of the Rallybio CVRs.

Management Following the Merger (see page 181)

Effective as of the Closing, the combined company's executive officers are expected to be the individuals designated by Candid, including:

NAME	TITLE
Ken Song, M.D.	President and Chief Executive Officer
Tim Lu, M.D., Ph.D.	Chief Medical Officer and Chief Scientific Officer
Arvind Kush	Chief Financial Officer and Chief Business Officer
Bernie Huyghe, Ph.D.	Chief Technology Officer

Material U.S. Federal Income Tax Consequences of the Merger (see page 183)

Since the Rallybio stockholders will not sell, exchange or dispose of any shares of Rallybio Common Stock as a result of the Merger, there will be no material U.S. federal income tax consequences to Rallybio stockholders as a result of the Merger.

Risk Factors (see page 27)

Both Rallybio and Candid are subject to various risks associated with their businesses and their industries. In addition, the Merger, including the possibility that the Merger may not be completed, poses a number of risks to each company and its respective securityholders, including the following risks:

Risks Related to the Merger

- The Exchange Ratio will not be adjusted based on the market price of Rallybio Common Stock, so the consideration at the Closing may have a greater or lesser value than at the time the Merger Agreement was signed;
- If the conditions to the Closing are not met, the Merger may not occur;
- The Merger may be completed even though a material adverse effect may result from the announcement of the Merger, industry-wide changes and/or other causes;
- Some executive officers and directors of Rallybio have interests in the Merger that are different from the stockholders of Rallybio and that may influence them to support or approve the Merger without regard to the interests of the stockholders of Rallybio;
- Rallybio stockholders may not realize a benefit from the Merger commensurate with the ownership dilution they will experience in connection with the Merger;
- If the Merger is not completed, Rallybio's stock price may decline significantly;
- Rallybio and Candid securityholders will have a reduced ownership and voting interest in, and will exercise less influence over the management of, the combined company following the completion of the Merger as compared to their current ownership and voting interests in the respective companies;
- The Merger may not be completed on the terms or timeline currently contemplated, or at all;
- Lawsuits may be filed against Rallybio and the members of the Rallybio Board arising out of the proposed Merger, which may delay or prevent the proposed Merger;
- During the pendency of the Merger Agreement, Rallybio and Candid may not be able to enter into a business combination with another party at a favorable price due to specific restrictions in the Merger Agreement;
- Certain provisions of the Merger Agreement may discourage third parties from submitting competing proposals for either of Candid or Rallybio, including proposals that may be superior to the arrangements contemplated by the Merger Agreement;
- Because the lack of a public market for the shares of Candid Capital Stock makes it difficult to evaluate the fairness of the Merger, the stockholders of Candid may receive consideration in the Merger that is less than the fair market value of such Candid Capital Stock or Rallybio may pay more than the fair market value of such Candid Capital Stock;
- The opinion delivered by Citizens to the Rallybio Board prior to the entry into the Merger Agreement does not reflect changes in circumstances that may occur after the date thereof;
- Rallybio or Candid may waive one or more of the conditions to the Merger without recirculation of this proxy statement/prospectus or resoliciting stockholder approval;
- Transfers of the combined company's securities utilizing Rule 144 ("Rule 144") of the Securities Act of 1933, as amended (the "Securities Act") may be limited; and
- Rallybio's winddown of its historical operations, the sale of assets, the suspension of development activities and the proposed Merger, resulting in the conversion of Candid into a public company, will

make Rallybio subject to the SEC requirements applicable to reporting shell company business combinations. As a result, the combined company will be subject to more stringent reporting requirements, offering limitations and resale restrictions.

Risks Related to Rallybio

- Rallybio has incurred significant losses since its inception and anticipates that, if it continues to progress the development of its product candidates, it will continue to incur losses in the foreseeable future. Rallybio has not commercialized any products and has never generated revenue from the commercialization of any product. Rallybio is not currently profitable, and may never achieve or sustain profitability;
- If Rallybio continues to progress the development of its product candidates, it will require significant additional capital to fund its operations. If Rallybio continues to progress the development of its product candidates and fails to obtain necessary financing, it may not be able to complete the development or commercialization of RLYB116 or any other product candidate. Given Rallybio's limited resources and access to capital, Rallybio may decide to prioritize development of certain product candidates, the choice of which may prove to be wrong and adversely affect our business;
- Raising additional capital may cause dilution to Rallybio's stockholders, restrict its operations or require it to relinquish rights to its intellectual property or product candidates;
- Rallybio's failure to meet the listing standards of Nasdaq, could result in the delisting of its common stock. Delisting could adversely affect the liquidity of Rallybio's common stock and the market price of Rallybio's common stock could decrease, and Rallybio's ability to obtain sufficient additional capital to fund its operations and to continue to operate as a going concern would be substantially impaired;
- Rallybio is heavily dependent on the success of RLYB116, which is in early-stage clinical development. If Rallybio continues to progress the development of its product candidates, and it is not able to develop, obtain marketing approval for, or successfully commercialize our product candidates, or if Rallybio experiences significant delays in doing so, Rallybio's business will be materially harmed;
- Preclinical studies and clinical trials are expensive, time consuming and difficult to design and implement, and involve uncertain outcomes. If Rallybio continues to progress the development of its product candidates, it may incur additional costs or experience delays in completing, or ultimately be unable to complete, the development of its product candidates;
- Enrollment and retention of patients in rare disease clinical trials is an expensive and time-consuming process and could be made more difficult or rendered impossible by multiple factors outside Rallybio's control;
- If Rallybio continues to progress the development of its product candidates, results of preclinical studies, clinical trials or analyses that Rallybio may announce or publish from time to time, may not be indicative of results obtained in later trials, and any interim results Rallybio may publish could be different than final results;
- If Rallybio continues to progress the development of its product candidates, any product candidates that Rallybio develops or the administration thereof, may cause serious adverse events or undesirable side effects, which may halt their clinical development, delay or prevent marketing approval, or, if approved, require them to be taken off the market, include safety warnings, or otherwise limit their sales;
- The marketing approval processes of the U.S. Food and Drug Administration (the "FDA"), the European Medicines Agency (the "EMA"), and comparable foreign regulatory authorities, including the Medicines and Healthcare products Regulatory Agency in the United Kingdom (the "MHRA"), are lengthy, time-consuming, and inherently unpredictable, and if Rallybio continues to progress the development of its product candidates, and is ultimately unable to obtain marketing approval for RLYB116 or any of Rallybio's other product candidates, Rallybio's business will be substantially harmed;

- Rallybio's product candidates target rare diseases and conditions, and if Rallybio continues to progress the development of its product candidates, the market opportunities for RLYB116 or any of Rallybio's other product candidates, if approved, may be smaller than Rallybio anticipates. Rallybio must be able to successfully identify patients and capture a significant market share to achieve profitability and growth;
- Rallybio faces significant competition from biotechnology and pharmaceutical companies, and if Rallybio continues to progress the development of its product candidates, Rallybio's operating results will suffer if Rallybio fails to compete effectively;
- If Rallybio continues to progress the development of its product candidates, it may pursue business development transactions and collaborate with third parties for the development and commercialization of Rallybio product candidates. Rallybio may not succeed in identifying and acquiring businesses or assets, in-licensing intellectual property rights or establishing and maintaining collaborations, which may significantly limit Rallybio's ability to successfully develop and commercialize Rallybio's other product candidates, if at all, and these transactions could disrupt its business, cause dilution to its stockholders or reduce its financial resources;
- If Rallybio is unable to obtain, maintain and enforce patent protection for its technology and product candidates, or if the scope of the patent protection obtained is not sufficiently broad, Rallybio's competitors could develop and commercialize technology and products similar or identical to Rallybio's, and Rallybio's ability to successfully develop and commercialize its technology and product candidates may be adversely affected which may also impact the value of any potential CVR;
- Rallybio equityholders may not receive any payment on the Rallybio CVRs and the Rallybio CVRs may otherwise expire valueless; and
- The tax treatment of the CVRs is uncertain.

Risks Related to Candid

- Candid has a limited operating history, has not completed any clinical trials and has no drugs approved for commercial sale, which may make it difficult for investors to evaluate Candid's current business and predict its future success and viability;
- Candid expects to incur significant losses for the foreseeable future and may never achieve or maintain profitability;
- Candid will need to obtain substantial additional funding to complete the development and any commercialization of its current and any future drug candidates, which may cause dilution to Candid's stockholders. If Candid is unable to raise this capital when needed, it may be forced to delay, reduce or eliminate its research and development programs or other operations;
- Candid's approach to the development of drug candidates to treat autoimmune diseases is novel and unproven, and Candid does not know whether it will be able to develop any drugs of commercial value, or if competing technological approaches will limit the commercial value of its drug candidates;
- Candid is early in its development efforts and only has two drug candidates, cizutamig and CND261, in early clinical development. All of Candid's other drug products, including CND319 and CND460, are in the preclinical or discovery stage. If Candid is unable to advance its drug candidates in clinical development, obtain regulatory approval and ultimately commercialize its drug candidates, or experiences significant delays in doing so, Candid's business will be materially harmed;
- Clinical trials are expensive, time-consuming, difficult to design and implement, and have an uncertain outcome. Any difficulties or delays in the commencement or completion, or the termination or suspension, of Candid's current or planned clinical trials could result in increased costs to Candid, delay or limit Candid's ability to generate revenue or adversely affect Candid's commercial prospects;
- Candid's drug candidates may cause serious adverse events or undesirable side effects or have other properties that may delay or prevent regulatory approval, cause Candid to suspend or discontinue clinical trials, limit the commercial profile of an approved label, or result in significant negative consequences following regulatory approval, if any;

- Cizutamig's mechanism of action results in deep and prolonged B-cell depletion, including memory B-cells, which may lead to hypogammaglobulinemia, loss of vaccine-mediated immunity, and increased infection risk that could limit its clinical utility or require complex patient management strategies;
- Candid has conducted, or plans to conduct, its initial clinical studies for cizutamig, CND261, and its other drug candidates outside of the United States. However, the FDA and other foreign equivalents may not accept data from such trials, in which case Candid's development plans will be delayed, which could materially harm Candid's business;
- Enrollment and retention of patients in clinical trials is an expensive and time-consuming process subject to various external factors beyond Candid's control that may cause delays or complications;
- Since the number of patients that have been and will be dosed in Candid's ongoing clinical trials is small, the results from such clinical trials, once completed, may be less reliable than or may not be predictive of results achieved in larger clinical trials, which may hinder Candid's efforts to obtain regulatory approval for its drug candidates;
- Results of any patient who receives Candid's drug candidate in an IIT, compassionate use program or expanded access program should not be viewed as representative of how the drug candidate will perform in Candid's clinical trials and may not be able to be used to establish safety or efficacy for regulatory approval;
- The affected populations for Candid's drug candidates may be smaller than Candid or third parties currently project, which may affect the addressable markets for Candid's drug candidates;
- Candid's success is dependent on its ability to successfully pursue business development, strategic partnerships and investment opportunities as Candid matures. Candid is currently party to such arrangements, and may enter into additional collaboration and licensing arrangements in the future, and may not realize the benefits of such collaborations, alliances, acquisitions or licensing arrangements.
- Candid contracts with third parties for the manufacturing and supply of certain of its drug candidates for use in preclinical testing and planned clinical trials, which supply may become limited or interrupted or may not be of satisfactory quality and quantity;
- Candid faces significant competition from other biotechnology and pharmaceutical companies, and Candid's operating results will suffer if Candid fails to compete effectively;
- As a company with operations and business relationships outside of the United States, Candid's business is subject to economic, political, regulatory and other risks associated with international operations;
- Candid depends substantially on intellectual property rights granted under its agreements with Genor, EpimAb, and Wuxi Biologics. If Candid loses its existing licenses or is unable to acquire or license additional proprietary rights from third parties, Candid may not be able to continue developing its drug candidates;
- Candid will need to expand its organization, and may experience challenges in managing this growth as it builds its capabilities, which could disrupt its operations; and
- Candid's future success depends on its ability to retain its key personnel and to attract, retain and motivate qualified personnel.

Risks Related to the Combined Company

- The combined company will need to raise substantial additional financing in the future to fund its operations, which may not be available to it on favorable terms or at all;
- Following the Merger, the combined company may be unable to successfully integrate the businesses of Rallybio and Candid and realize some or all of the anticipated benefits of the Merger;
- The market price of the combined company's common stock is expected to be volatile, and the market price of the common stock may drop following the Merger;
- The combined company will incur costs and demands upon management as a result of complying with the laws, rules and regulations affecting public companies;

- If the assets subject to the Rallybio CVR Agreement are not disposed of in a timely manner, the combined company may have to incur time and resources to wind down or dispose of such assets;
- Nasdaq may delist the combined company's securities from trading on its exchange, which could limit investors' ability to make transactions in its securities and subject the combined company to additional trading restrictions;
- Provisions in the combined company's amended and restated certificate of incorporation, the combined company's amended and restated bylaws and Delaware law may have anti-takeover effects that could discourage an acquisition of the combined company by others, even if an acquisition would be beneficial to the combined company's stockholders, and may prevent attempts by the combined company's stockholders to replace or remove the combined company's current management;
- The combined company's amended and restated certificate of incorporation will designate the state or federal courts within the State of Delaware as the exclusive forum for certain types of actions and proceedings that may be initiated by the combined company's stockholders, which could limit the combined company's stockholders' ability to obtain a favorable judicial forum for disputes with the combined company or its directors, officers or employees;
- Rallybio and Candid do not anticipate that the combined company will pay any cash dividends in the foreseeable future;
- An active trading market for the combined company's common stock may not develop and its stockholders may not be able to resell their shares of common stock for a profit, if at all;
- Future sales of shares by existing stockholders could cause the combined company's stock price to decline;
- If equity research analysts do not publish research or reports, or publish unfavorable research or reports, about the combined company, its business or its market, its stock price and trading volume could decline;
- The unaudited pro forma condensed combined financial statements included in this proxy statement/prospectus are presented for illustrative purposes only and may not be an indication of the combined company's financial condition or results of operations following the completion of the Merger;
- If the combined company fails to maintain proper and effective internal controls, its ability to produce accurate financial statements on a timely basis could be impaired;
- If the combined company fails to attract and retain management and other key personnel, it may be unable to continue to successfully develop or commercialize its drug candidates or otherwise implement its business plan;
- The combined company is expected to take advantage of reduced disclosure and governance requirements applicable to emerging growth companies and smaller reporting companies, which could result in its common stock being less attractive to investors;
- Changes in tax laws may materially adversely affect the combined company's business, prospects, financial condition and operating results; and
- The combined company's ability to use net operating loss carryforwards and other tax attributes may be limited, including as a result of the Merger.

These risks and other risks are discussed in greater detail under the section titled "*Risk Factors*" of this proxy statement/prospectus. Rallybio and Candid both encourage you to read and consider all of these risks carefully.

Regulatory Approvals (see page 183)

In the United States, Rallybio must comply with applicable federal and state securities laws and the rules and regulations of Nasdaq in connection with (i) the issuance of shares of Rallybio Common Stock to Candid stockholders in connection with the transactions contemplated by the Merger Agreement and the change of control resulting from the Merger and (ii) the filing of this proxy statement/prospectus with the SEC.

Completion of the Merger is conditioned on the expiration or termination of any applicable waiting period (and any extension thereof) under the HSR Act and the absence of any law or order restraining, enjoining, or

otherwise prohibiting the consummation of the Merger. The HSR Act provides that certain transactions may not be completed until notification and report forms are furnished to the U.S. Department of Justice ("DOJ") and the U.S. Federal Trade Commission ("FTC") and the HSR Act waiting period is terminated or expires. On March 13, 2026 Rallybio and Candid each filed a notification and report form under the HSR Act with the DOJ and the FTC. The applicable waiting period required under the HSR Act will expire at 11:59 p.m., Eastern Time, on April 13, 2026, unless early termination is granted, Rallybio withdraws and refiles its notification and report form, or a Second Request (as defined below) is issued.

Nasdaq Listing (see page 183)

Pursuant to the Merger Agreement, Rallybio has agreed to use commercially reasonable efforts, (i) to maintain its existing listing on Nasdaq until the Closing and to obtain approval of the listing of the combined company on Nasdaq, (ii) to the extent required by the rules and regulations of Nasdaq, prepare and submit to Nasdaq a notification form for the listing of the shares of Rallybio Common Stock being issued in connection with the Merger and Contemplated Transactions, (iii) use commercially reasonable efforts to cause such shares to be approved for listing (subject to official notice of issuance) on the Nasdaq market at or prior to the Effective Time, (iv) to effect the reverse stock split, and (v) to the extent required by Nasdaq Marketplace Rule 5110, to file an initial Nasdaq Listing Application for the Rallybio Common Stock on Nasdaq and to use commercially reasonable efforts to cause such listing application to be conditionally approved prior to the Effective Time.

Anticipated Accounting Treatment (see page 184)

The Merger is expected to be accounted for under accounting principles generally accepted in the United States of America ("GAAP") as an in-substance reverse recapitalization. For accounting purposes, Candid is expected to be considered the accounting acquirer. The treatment as an in-substance reverse recapitalization is based on the assessment that as a result of Rallybio's discontinuation of its research and development activities and settlement of its other remaining operating assets and liabilities, immediately prior to the Closing, Rallybio is expected to have nominal assets, apart from cash and cash equivalents and marketable securities. Under a reverse recapitalization, Candid is considered to effect a financing transaction in exchange for issuing equity.

Appraisal Rights (see page 184)

Holders of Rallybio Common Stock are not entitled to appraisal rights in connection with the Merger under the DGCL.

Candid stockholders are entitled to appraisal rights in connection with the Merger under Section 262 of the DGCL. See "*The Merger—Appraisal Rights*" elsewhere in this proxy statement/prospectus for additional information.

Comparison of Stockholder Rights (see page 399)

Both Rallybio and Candid are incorporated under the laws of the State of Delaware and, accordingly, the rights of the stockholders of each are currently, and will continue to be, governed by the DGCL. If the Merger is completed, Candid stockholders will become Rallybio stockholders, and their rights will be governed by the DGCL, the amended and restated bylaws of combined company and the amended and restated certificate of incorporation of the combined company, as amended, as more fully described under the section titled "*Comparison of Rights of Holders of Rallybio Capital Stock and Candid Capital Stock*" of this proxy statement/prospectus.

RISK FACTORS

The combined company will be faced with a market environment that cannot be predicted and that involves significant risks, many of which will be beyond its control. In addition to the other information contained or incorporated by reference in this proxy statement/prospectus, you should carefully consider the material risks described below before deciding how to vote your shares of Rallybio Common Stock. You should also read and consider the other information in this proxy statement/prospectus. Please see the section titled “Where You Can Find More Information” beginning on page 420 of this proxy statement/prospectus for further information.

Risks Related to the Merger

The Exchange Ratio will not be adjusted based on the market price of Rallybio Common Stock, so the consideration at the Closing may have a greater or lesser value than at the time the Merger Agreement was signed.

The Exchange Ratio will not change based on changes in the trading price of Rallybio Common Stock. Therefore, if before the completion of the Merger, the market price of Rallybio Common Stock increases from the market price on the date of the Merger Agreement, Candid stockholders could then receive merger consideration with substantially higher value for their shares of Candid common stock than the parties had negotiated when they established the Exchange Ratio. The Merger Agreement does not include a price-based termination right. Under the Exchange Ratio and Concurrent Financing Exchange Ratio formulas in the Merger Agreement, immediately after the Closing, on a pro forma basis and based upon the number of shares of Rallybio Common Stock expected to be issued in connection with the Merger, pre-Merger equityholders of Candid (other than investors in the Concurrent Financing) are expected to own approximately 57.55% of the combined company, pre-Merger equityholders of Rallybio are expected to own approximately 3.65% of the combined company and the investors in the Concurrent Financing are expected to own approximately 38.80% (assuming proceeds from the Concurrent Financing of \$505.5 million), in each case, calculated on a fully diluted basis, using the treasury stock method, and subject to certain assumptions, including (i) a valuation for Rallybio of \$47.5 million (assuming Rallybio Net Cash of \$37.5 million as of the Closing), (ii) a fixed valuation for Candid of \$750.0 million, and (iii) the relative capitalization of Rallybio and Candid. The percentage of the combined company that each party's equityholders will own following the Closing is subject to certain adjustments (as described in more detail in the section titled “*The Merger Agreement—Merger Consideration and Exchange Ratio*”), including the amount of the final Rallybio Net Cash at the Closing.

If the conditions to the Closing are not met, the Merger may not occur.

Even if Proposal Nos. 1, 2 and 3 are approved by the stockholders of Rallybio, specified conditions must be satisfied or, to the extent permitted by applicable law, waived to complete the Merger. These conditions are set forth in the Merger Agreement and each material condition to the completion of the Merger is described in the section titled “*The Merger Agreement—Conditions to the Completion of the Merger*.” Rallybio and Candid cannot assure you that all of the conditions will be satisfied or waived. If the conditions are not satisfied or waived, the Merger may not occur or will be delayed, and Rallybio and Candid each may lose some or all the intended benefits of the Merger.

The Merger may be completed even though a material adverse effect may result from the announcement of the Merger, industry-wide changes and/or other causes.

In general, either Rallybio or Candid can refuse to complete the Merger if there is a Rallybio Material Adverse Effect (as defined in the Merger Agreement) or a Candid Material Adverse Effect (as defined in the Merger Agreement), as applicable, between March 1, 2026, the date of the Merger Agreement, and the Closing. However, certain types of changes do not permit either party to refuse to complete the Merger, even if such change could be said to have a material adverse effect on Rallybio or Candid, including:

- general business, political or economic conditions generally affecting the industry in which Rallybio or Candid operate, including with respect to the imposition of, or adjustments to, tariffs or other trade restrictions;
- acts of war, the outbreak or escalation of armed hostilities, acts of terrorism, earthquakes, wildfires, hurricanes or other natural disasters, health emergencies, including pandemics and related or associated epidemics, disease outbreaks or quarantine restrictions;

- changes in financial, banking or securities markets;
- any change in the stock price or trading volume of Rallybio Common Stock (it being understood, however, that any effect causing or contributing to any change in stock price or trading volume of Rallybio Common Stock may be taken into account in determining whether a material adverse effect with respect to Rallybio has occurred, unless such effects are otherwise excepted from the definition of Rallybio Material Adverse Effect);
- any failure by Rallybio to meet internal or analysts' expectations or projections or the results of operations of Rallybio (it being understood, however, that any effect causing or contributing to the failure of Rallybio to meet internal or analysts' expectations or projections or the results of operations of Rallybio may be taken into account in determining whether a material adverse effect with respect to Rallybio has occurred, unless such effects are otherwise excepted from the definition of Rallybio Material Adverse Effect);
- any change in, or any compliance with or action taken for the purpose of complying with, any applicable law or GAAP (or interpretations of any applicable law or GAAP);
- the announcement of the Merger Agreement or the pendency of the Contemplated Transactions; or
- the taking of any action required to be taken by the Merger Agreement.

If a material adverse change occurs with respect to either party or both parties and Rallybio and Candid still complete the Merger, the stock price of the combined company following the Closing may suffer and may reduce the value of the Merger to the stockholders of Rallybio, Candid or both.

Some executive officers and directors of Rallybio have interests in the Merger that are different from the stockholders of Rallybio and that may influence them to support or approve the Merger without regard to the interests of the stockholders of Rallybio.

Certain executive officers and directors of Rallybio are parties to arrangements that provide them with interests in the Merger that are different from the stockholders of Rallybio, including severance benefits, the acceleration of equity award vesting and continued indemnification.

In addition, Robert Hopfner, a current member of Rallybio's board, is affiliated with an investment fund participating in the concurrent financing. See "*The Merger—Interests of Rallybio's Directors and Executive Officers in the Merger*" for more information.

The Rallybio Board was aware of and considered these interests, among other matters, in reaching its determination (i) that the terms of the Merger Agreement and the Merger and the other Contemplated Transactions are fair to, advisable and in the best interest of Rallybio and its stockholders, (ii) to approve and declare advisable the Merger Agreement and the Contemplated Transactions, including the Merger and the issuance of shares of Rallybio Common Stock to the stockholders of Candid pursuant to the Merger Agreement and (iii) to recommend, upon the terms and subject to the terms and conditions set forth in the Merger Agreement, that the stockholders of Rallybio vote to approve Nos. 1, 2 and 3. These interests, among other factors, may have influenced the directors and executive officers of Rallybio to support or approve the Merger.

For more information regarding the interests of Rallybio executive officers and directors in the Merger, see the section titled "*The Merger—Interests of Rallybio's Directors and Executive Officers in the Merger*."

Rallybio stockholders may not realize a benefit from the Merger commensurate with the ownership dilution they will experience in connection with the Merger.

If the combined company is unable to realize the full strategic and financial benefits currently anticipated from the Merger, Rallybio stockholders will have experienced substantial dilution of their ownership interests without receiving any commensurate benefit, or only receiving part of the commensurate benefit to the extent the combined company is able to realize only part of the strategic and financial benefits currently anticipated from the Merger.

If the Merger is not completed, Rallybio's stock price may decline significantly.

The market price of Rallybio Common Stock is subject to significant fluctuations. During the 12-month period ended March 1, 2026, the closing per share sales price of Rallybio Common Stock on Nasdaq ranged from a high of \$7.54 on February 27, 2026 to a low of \$2.00 (after giving effect to Rallybio's 1-for-8 reverse stock split approved by Rallybio's stockholders on January 26, 2026 at a Special Meeting of Stockholders and effective as of 12:01 Eastern

Time on February 6, 2026) on April 8, 2025. Market prices for securities of pharmaceutical, biotechnology and other life science companies have historically been particularly volatile. In addition, the market price of Rallybio Common Stock will likely be volatile based on whether stockholders and other investors believe that Rallybio can complete the Merger or otherwise raise additional capital to support Rallybio's operations if the Merger is not consummated and another strategic transaction cannot be identified, negotiated and consummated in a timely manner, if at all. The volatility of the market price of Rallybio Common Stock is exacerbated by low trading volume.

Additional factors that may cause the market price of Rallybio Common Stock to fluctuate include:

- the entry into, or termination of, key agreements, including commercial partner agreements;
- announcements by commercial partners or competitors of new commercial products, clinical progress or lack thereof, significant contracts, commercial relationships or capital commitments;
- the loss of key employees;
- future sales of its common stock;
- general and industry-specific economic conditions that may affect its research and development expenditures;
- the failure to meet industry analyst expectations; and
- period-to-period fluctuations in financial results.

Moreover, the stock markets in general have experienced substantial volatility that has often been unrelated to the operating performance of individual companies. These broad market fluctuations may also adversely affect the trading price of Rallybio Common Stock. In the past, following periods of volatility in the market price of a company's securities, stockholders have often instituted class action securities litigation against such companies.

Rallybio and Candid equityholders will have a reduced ownership and voting interest in, and will exercise less influence over the management of, the combined company following the completion of the Merger as compared to their current ownership and voting interests in the respective companies.

After the completion of the Merger, the current stockholders of Rallybio and Candid will own a smaller percentage of the combined company than their ownership of their respective companies prior to the Merger. Under the Exchange Ratio and Concurrent Financing Exchange Ratio formulas in the Merger Agreement, immediately after the Closing, on a pro forma basis and based upon the number of shares of Rallybio Common Stock expected to be issued in connection with the Merger, pre-Merger equityholders of Candid (other than investors in the Concurrent Financing) are expected to own approximately 57.55% of the combined company, pre-Merger equityholders of Rallybio are expected to own approximately 3.65% of the combined company and the investors in the Concurrent Financing are expected to own approximately 38.80% (assuming proceeds from the Concurrent Financing of \$505.5 million), in each case, calculated on a fully diluted basis, using the treasury stock method, and subject to certain assumptions, including (i) a valuation for Rallybio of \$47.5 million (assuming Rallybio Net Cash of \$37.5 million as of the Closing), (ii) a fixed valuation for Candid of \$750.0 million, and (iii) the relative capitalization of Rallybio and Candid. The percentage of the combined company that each party's equityholders will own following the Closing is subject to certain adjustments (as described in more detail in the section titled "The Merger Agreement—Merger Consideration and Exchange Ratio"), including the amount of the final Rallybio Net Cash at the Closing.

The Merger may not be completed on the terms or timeline currently contemplated, or at all.

The consummation of the Merger is subject to numerous conditions, including (1) the effectiveness of the registration statement of which this proxy statement/prospectus forms a part, (2) the approval by Rallybio's stockholders of the Rallybio Stockholder Matters, (3) the approval by Candid's stockholders of the Candid Stockholder Matters, and (4) other customary closing conditions and there can be no assurance that the Merger will be consummated. See the section titled "The Merger Agreement—Conditions to the Completion of the Merger."

If the Merger is not completed for any reason, the price of Rallybio Common Stock may decline to the extent that the market price of Rallybio Common Stock reflects or previously reflected positive market assumptions that the Merger would be completed and the related benefits would be realized. In addition, Rallybio and Candid have expended and will continue to expend significant management time and resources and have incurred and will continue to incur significant expenses due to legal, advisory, printing and financial services fees related to the Merger. These expenses must be paid regardless of whether the Merger is consummated.

Lawsuits may be filed against Rallybio and the members of the Rallybio Board arising out of the proposed Merger, which may delay or prevent the proposed Merger.

Putative stockholder complaints, including stockholder class action complaints, and other complaints may be filed against Rallybio, the Rallybio Board, Candid, the Candid Board and others in connection with the transactions contemplated by the Merger Agreement. The outcome of litigation is uncertain, and Rallybio may not be successful in defending against any such future claims. Lawsuits that may be filed against Rallybio, the Rallybio Board, Candid, or the Candid Board could delay or prevent the Merger, divert the attention of Rallybio's management and employees from Rallybio's day-to-day business and otherwise adversely affect Rallybio's financial condition.

During the pendency of the Merger Agreement, Rallybio and Candid may not be able to enter into a business combination with another party at a favorable price because of restrictions in the Merger Agreement, which could adversely affect their respective businesses.

Covenants in the Merger Agreement impede the ability of Rallybio and Candid to make acquisitions, subject to specified exceptions relating to fiduciary duties, or complete other mergers, sales of assets or other business combinations pending completion of the Merger. As a result, if the Merger is not completed, the parties may be at a disadvantage to their competitors during that period. In addition, while the Merger Agreement is in effect, each party is generally prohibited from soliciting, initiating, knowingly encouraging or entering into specified extraordinary transactions, such as a merger, sale of assets or other business combination, with any third party, subject to specified exceptions, even if any such transaction could be favorable to such party's stockholders or stockholders, as applicable. For a more complete description of the restrictions on pursuing alternative transactions please see the section titled "*The Merger Agreement*."

Certain provisions of the Merger Agreement may discourage third parties from submitting competing proposals, including proposals that may be superior to the arrangements contemplated by the Merger Agreement.

The terms of the Merger Agreement prohibit each of Rallybio and Candid from soliciting competing proposals or cooperating with persons making unsolicited takeover proposals, except in certain limited circumstances. With respect to Rallybio, the Rallybio Board may respond to an unsolicited competing proposal if it determines in good faith, after consultation with its outside financial advisor and outside legal counsel, that the unsolicited competing proposal constitutes, or is reasonably likely to result in, a superior competing proposal and, after consultation with its outside legal counsel, that failure to take such action would be inconsistent with the fiduciary duties of the Rallybio Board. With respect to Candid, following receipt of a bona fide acquisition proposal by any person that the Candid Board has determined constitutes, or is reasonably likely to result in, a superior offer, Candid may solicit acquisition proposals and furnish information to, and enter into discussions with, any person (including persons not making such proposal) if the Candid Board concludes in good faith, after consultation with its outside legal counsel and financial advisor, that failure to take such action would be inconsistent with the fiduciary duties of the Candid Board.

In certain circumstances, and subject to compliance with the Merger Agreement, the Rallybio Board or the Candid Board may change its recommendation to its respective stockholders if it determines such recommendation change is required to avoid a breach of its fiduciary duties. Additionally, subject to compliance with the procedures set forth in the Merger Agreement, including paying the applicable termination fee, Candid may terminate the Merger Agreement in order to enter into an agreement with respect to a Superior Offer.

Upon termination of the Merger Agreement in certain circumstances, Candid may be required to pay to Rallybio a termination fee of (x) \$50.0 million, including (i) where the Candid Board changes or withdraws its recommendation in favor of the Merger or recommends to enter into an alternative transaction, (ii) in certain circumstances where Candid enters into a Permitted Alternative Agreement (as defined in the Merger Agreement); or (iii) if (a) the Merger Agreement is terminated because Candid (1) fails to obtain the requisite stockholder approval of the Merger Agreement and the transactions contemplated thereby or (2) breaches the Merger Agreement, (b) an alternative acquisition proposal was announced or disclosed prior to obtaining Candid's stockholder approval, and (c) within 12 months of the termination of the Merger Agreement, Candid enters into a definitive agreement with respect to an alternative transaction; or (y) \$10.0 million, if (i) the Merger Agreement is terminated because the Merger has not been consummated by the End Date (as defined in the Merger Agreement), (ii) an alternative acquisition proposal was announced or disclosed prior to obtaining Candid's stockholder approval, and (iii) within 12 months of the

termination of the Merger Agreement, Candid enters into a definitive agreement with respect to an alternative transaction.

Upon termination of the Merger Agreement in certain circumstances, a termination fee of \$1.425 million may be payable by Rallybio to Candid if (i)(a) the Merger Agreement is terminated because the Merger has not been consummated by the End Date (as defined in the Merger Agreement) or Rallybio (1) fails to obtain the requisite stockholder approval of the Rallybio Stockholder Matters or (2) breaches the Merger Agreement, (b) an alternative acquisition proposal was announced or disclosed prior to such termination, and (c) within 12 months of the termination of the Merger Agreement, Rallybio enters into a definitive agreement with respect to an alternative transaction, (ii) Rallybio fails to include its board recommendation in this proxy statement/prospectus, or (iii) the Rallybio Board of directors changes or withdraws its recommendation in favor of the Merger or approves an alternative transaction, or willfully and intentionally breaches its non-solicitation or certain other obligations under the Merger Agreement.

Candid and Rallybio have also each agreed to reimburse the other party for up to \$500,000 for third-party expenses, as applicable, if the Merger Agreement is terminated in certain circumstances.

These termination fees and expense reimbursement provisions may discourage third parties from submitting competing proposals to Rallybio or Candid or their respective stockholders and may cause the Rallybio Board or the Candid Board, as the case may be, to be less inclined to recommend a competing proposal. For more information regarding the potential termination fees, see the section titled "*The Merger Agreement-Termination and Termination Fees.*"

Because the lack of a public market for the shares of Candid Capital Stock makes it difficult to evaluate the fairness of the Merger, the stockholders of Candid may receive consideration in the Merger that is less than the fair market value of the shares of Candid Capital Stock or Rallybio may pay more than the fair market value of the Candid Capital Stock.

The outstanding shares of Candid Capital Stock are privately held and is not traded in any public market. The lack of a public market makes it extremely difficult to determine the fair market value of the shares of Candid Capital Stock. Because the percentage of Rallybio equity to be issued to Candid stockholders was determined based on negotiations between the parties, it is possible that the value of the Rallybio Common Stock to be received by Candid stockholders will be less than the fair market value of the shares of Candid Capital Stock, or Rallybio may pay more than the aggregate fair market value for the shares of Candid Capital Stock.

The opinion delivered by Citizens to the Rallybio Board prior to the entry into the Merger Agreement does not reflect changes in circumstances that may occur after the date thereof.

The Rallybio Board has not obtained an updated opinion either as of the date of this proxy statement/prospectus or as of any other date subsequent to the date of the opinion of Citizens, Rallybio's financial advisor. Changes in circumstances, including without limitation the operations and prospects of Rallybio or Candid, stock prices, general market and economic conditions and other factors, some or all of which may be beyond the control of Rallybio and Candid, are not reflected in the opinion of Citizens. The opinion of Citizens does not speak as of any date other than the date thereof.

Rallybio or Candid may waive one or more of the conditions to the Merger without recirculation of this proxy statement/prospectus or resoliciting stockholder approval.

Conditions to Rallybio's or Candid's obligations to complete the Merger may be waived, in whole or in part, to the extent permitted by law, in certain circumstances unilaterally or by agreement of Rallybio and Candid. In the event of a waiver of a condition, the Rallybio Board will evaluate the materiality of any such waiver to determine whether amendment of this proxy statement/prospectus and re-solicitation of stockholder approval is necessary.

In the event that the Rallybio Board, in its own reasonable discretion, determines any such waiver is not significant enough to require recirculation of this proxy statement/prospectus and re-solicitation of its stockholders, it will have the discretion to complete the Merger without seeking further stockholder approval, which decision may have a material adverse effect on the Rallybio stockholders. For example, if Rallybio and Candid agree to waive the requirement that the shares of Rallybio Common Stock to be issued in the Merger have been approved for listing (subject to official notice of issuance) on Nasdaq as of the Closing, and their respective boards of directors elect to

proceed with the Closing, Nasdaq may notify the combined company of its determination to delist the combined company's securities based upon the failure to satisfy the initial inclusion criteria in the Nasdaq application. The combined company may appeal the determination to a hearings panel but such appeal will not stay the suspension and delisting action and Nasdaq may notify the combined company that its common stock will be immediately suspended from trading and delisted.

In addition, in order to meet the initial listing requirements of Nasdaq or as otherwise determined in the discretion of the combined company board pursuant to the terms of the Lock-Up Agreements, the Rallybio Board or combined company board may release stockholders from their Lock-Up Agreements and waive the requirement that such Lock-Up Agreements be in full force and effect immediately following the Effective Time. Such release would increase the number of shares that may be sold in the public market immediately after the Merger and any such sales could cause the combined company's stock price to decline.

Transfers of the combined company's securities utilizing Rule 144 may be limited.

A significant portion of the combined company's securities will be restricted from immediate resale. Holders should be aware that transfers of Rallybio's securities pursuant to Rule 144 may be limited as Rule 144 is not available, subject to certain exceptions, for the resale of securities initially issued by shell companies (other than business combination related shell companies) or issuers that have previously been a shell company. Rallybio's winddown of its general and administrative operations that will not be needed after Closing and the proposed Merger (including the issuance of the Rallybio CVRs in connection therewith) will make Rallybio subject to the SEC requirements applicable to reporting shell company business combinations. Rallybio anticipates that following the consummation of the Merger, the combined company will no longer be a shell company. As a result, Rallybio anticipates that holders of restricted securities of the combined company, including affiliates of the combined company, will not be able to sell such securities pursuant to Rule 144 without registration until one year after the combined company files Form 10 information with the SEC. For more information, see the section titled "Securities Act Restrictions on Resale of Combined Company Common Stock."

Rallybio's winddown of its historical operations, the sale of assets, the suspension of development activities and the proposed Merger, resulting in the conversion of Candid into a public company, will make Rallybio subject to the SEC requirements applicable to reporting shell company business combinations. As a result, the combined company will be subject to more stringent reporting requirements, offering limitations and resale restrictions.

According to SEC guidance, the requirements applicable to reporting shell company business combinations apply to any company that sells or otherwise disposes of its historical assets or operations in connection with or as part of a plan to combine with a non-shell private company in order to convert the private company into a public one. Rallybio has taken steps to winddown its general and administrative operations that will not be needed after Closing and expects to issue the Rallybio CVRs in connection with the Closing and, as such, Rallybio's plan to merge with Candid, resulting in the conversion of Candid into a public company, will be subject to the SEC requirements applicable to reporting shell company business combinations, which are as follows:

- the combined company will need to file a Current Report on Form 8-K to report the Form 10 type information ("Super 8-K") after the Closing reflecting its status as an entity that is not a shell company;
- the combined company will not be eligible to use a Form S-3 until 12 full calendar months after the Closing;
- the combined company will need to wait at least 60 calendar days after the filing of the Super 8-K to file a Form S-8 for any equity plans or awards, such as the 2026 Plan and the 2026 ESPP;
- the combined company will be an "ineligible issuer" for three years following the Closing, which will prevent the combined company from (i) incorporating by reference in its Form S-1 filings, (ii) using a free writing prospectus or (iii) taking advantage of the well-known seasoned issuer ("WKSI") status, even if otherwise eligible based on its public float;
- investors who (i) were affiliates of Candid at the time the Merger was submitted for the vote or consent of Candid's stockholders, (ii) receive securities of the combined company in the Merger and (iii) publicly offer or sell such securities will be deemed to be engaged in a distribution of such securities, and therefore would be underwriters with respect to resales of those securities; and

- Rule 144(i)(2) will limit the ability of holders of restricted securities, and any affiliates of the public company to publicly resell Rule 145(c) securities per Rule 145(d), as well as any other “restricted” or “control” securities of the combined company per Rule 144, until one year after the Form 10 information is filed with the SEC. Non-affiliate Rallybio stockholders prior to the Merger will not be subject to such restrictions on public resales of their shares.

The foregoing SEC requirements will increase the combined company’s time and cost of raising capital, offering stock under equity plans, and complying with securities laws. Furthermore, such requirements will add burdensome restrictions on the resale of the combined company common stock by affiliates of Candid and any holders of “restricted” or “control” securities of the combined company.

For more information about the conditions to the completion of the Merger, see the section titled “*The Merger Agreement—Conditions to the Completion of the Merger.*”

Rallybio equityholders may not receive any payment on the Rallybio CVRs and the Rallybio CVRs may otherwise expire valueless.

The right of Rallybio equityholders to receive any future payment for or derive any value from the Rallybio CVRs will be contingent solely upon (i) Rallybio’s and Candid’s (or the combined company’s) ability to monetize all or any part of the Legacy Assets pursuant to one or more disposition agreements entered into within the time period specified in the Rallybio CVR Agreement, and the timing and amount of the consideration received thereunder and (ii) the receipt of cash proceeds from Recursion under the Membership Interest Purchase Agreement, dated July 8, 2025, by and among Recursion Pharmaceuticals, Inc., Exscientia Ventures I, Inc., Rallybio and Rallybio IPB, LLC (the “Membership Interest Purchase Agreement”). If Rallybio and/or Candid or the combined company (x) are not successful in entering into disposition agreements related to the Legacy Assets (as defined below) or receiving payments thereunder, or if such payments are not sufficient to result in the payment of any Rallybio CVR Payments as a result of permitted deductions thereto and (y) do not receive cash proceeds from Recursion pursuant to the Membership Interest Purchase Agreement, in each case within the time period specified in the Rallybio CVR Agreement, no payments will be made in respect of the Rallybio CVRs, and the Rallybio CVRs will expire valueless.

Following the effective time, the combined company will have sole authority over whether and how to monetize the Legacy Assets (if at all), and the combined company’s only obligations will be to carry out the obligations set forth in the Rallybio CVR Agreement.

Furthermore, the Rallybio CVRs will be unsecured obligations of the combined company and all payments under the Rallybio CVRs and all other obligations under the Rallybio CVR Agreement and the Rallybio CVRs and any rights or claims relating thereto will be subordinated in right of payment to the prior payment in full of all current or future senior obligations of the combined company.

The tax treatment of the CVRs is uncertain.

Rallybio intends to treat a holder’s receipt of the Rallybio CVRs as a distribution of property with respect to the holder’s existing shares of Rallybio Common Stock for U.S. federal income tax purposes, which could be taxable to Rallybio stockholders without the corresponding receipt of cash. However, the U.S. federal income tax treatment of the Rallybio CVRs is uncertain. There is no legal authority directly addressing the U.S. federal income tax treatment of the receipt of, and payments under, the Rallybio CVRs, and there can be no assurance that the Internal Revenue Service (“IRS”) would not assert, or that a court would not sustain, a position that could result in adverse U.S. federal income tax consequences to holders of the Rallybio CVRs. For more information regarding the U.S. federal income tax consequences of the CVRs, see the section titled “*Agreements Related to the Merger—Rallybio Contingent Value Rights Agreement.*”

Risks Related to Rallybio

Unless otherwise indicated or the context otherwise requires, references in this section to “Rallybio,” the “Company,” “we,” “us,” “our” and other similar terms refer to Rallybio and its subsidiaries.

Risks Related to Our Financial Position and Need for Additional Capital

We have incurred significant losses since our inception and anticipate that, if we continue to progress the development of our product candidates, we will continue to incur losses in the foreseeable future. We have not commercialized any products and have never generated revenue from the commercialization of any product. We are not currently profitable, and we may never achieve or sustain profitability.

We are a clinical-stage biotechnology company with a limited operating history. As a result, we are not profitable and we have incurred significant operating losses since inception, including net losses of \$9.0 million and \$57.8 million for the years ended December 31, 2025 and 2024, respectively. Our loss for the year ended December 31, 2025 included a \$23.0 million gain in connection with the JV Sale (as defined below) in 2025. As of December 31, 2025, we had an accumulated deficit of \$302.0 million. Investment in biopharmaceutical product development is highly speculative because it entails substantial upfront capital expenditures and significant risk that any potential product candidate will fail to gain regulatory approval and become commercially viable. Since inception, we have devoted substantially all of our resources to raising capital, conducting discovery and research activities, acquiring product candidates, establishing and protecting our intellectual property, preparing for and conducting clinical trials, and establishing arrangements with third parties for the manufacture of our product candidates. We do not have any product candidates approved for sale and have not generated any revenue from product sales.

If we continue to progress the development of our product candidates, we expect to incur significant additional operating losses in the foreseeable future as we advance our programs and operate our business. The costs of advancing product candidates through each clinical phase tend to increase substantially over the duration of the clinical development process. The total costs to advance a single product candidate to marketing approval in even a single jurisdiction are substantial. Because of the numerous risks and uncertainties associated with pharmaceutical product development, we are unable to accurately predict the timing or amount of increased expenses or when, or if, we will be able to generate revenue from the commercialization of any product candidates or achieve or maintain profitability. Our expenses will increase substantially if and as we:

- plan for and conduct any future clinical trials for any of our product candidates, including the ongoing RLYB116 confirmatory clinical PK/PD trial;
- seek regulatory approvals for RLYB116 and any other product candidates;
- advance our discovery and preclinical development activities for our product candidates;
- discover and develop additional product candidates;
- hire additional clinical, scientific, and commercial personnel;
- acquire or in-license other product candidates or technologies;
- maintain, expand, and protect our intellectual property portfolio;
- secure manufacturing sources and supply chain capacity sufficient to produce adequate clinical and commercial quantities of our product candidates; and
- establish a sales, marketing, and distribution infrastructure to commercialize our products, if approved.

We do not know when or whether we will become profitable. Our ability to generate revenue and become profitable depends upon our ability to successfully complete the development of our product candidates and to obtain the necessary regulatory approvals for their commercialization, which is subject to substantial additional risks and uncertainties, as described under “—*Risks Related to Discovery, Development, Clinical Testing, Manufacturing, and Regulatory Approval.*”

Each of our product candidates will require additional preclinical and/or clinical development, regulatory approval in multiple jurisdictions, the securing of clinical and commercial manufacturing supply, the building of a commercial organization, and substantial investment before we generate any revenue from product sales. As a result, if we continue to progress the development of our product candidates, we expect to continue to incur net losses and negative cash flows in the foreseeable future. These net losses and negative cash flows have had, and will continue to have, an adverse effect on our stockholders' equity and working capital. The amount of our future net losses will depend, in part, on the rate of future growth of our expenses and our ability to generate revenues. If we are unable to develop and commercialize one or more product candidates, either alone or through current or future collaborations,

or if revenues from any product that receives marketing approval are insufficient, we will not achieve profitability. Even if we successfully commercialize RLYB116 or any of our other product candidates, we may continue to incur substantial research and development and other expenses to develop other current or future product candidates. Even if we do achieve profitability, we may not be able to sustain or increase profitability on a quarterly or annual basis or meet outside expectations for our profitability. Our failure to become and remain profitable would decrease the value of the Company and could impair our ability to raise capital, maintain our research and development efforts, expand our business, execute our business plan or continue our operations.

If we continue to progress the development of our product candidates, we will require significant additional capital to fund our operations. If we continue to progress the development of our product candidates and fail to obtain necessary financing, we may not be able to complete the development or commercialization of RLYB116 or any other product candidate. Given our limited resources and access to capital, we may decide to prioritize development of certain product candidates, the choice of which may prove to be wrong and adversely affect our business.

If we continue to progress the development of our product candidates, we expect to spend significant amounts of capital to complete the development of, and if approved, commercialize, one or more product candidates, including RLYB116. We are obligated to make certain payments under our agreements with Affibody, Sobi, and Kymab Limited ("Sanofi"), including milestone and royalty payments in connection with achievement of certain development and commercial milestones as well as the sale of resulting products under such agreements. We may also spend significant capital to develop laboratory tests to identify patients for inclusion in our clinical trials or who are likely to respond to our product candidates.

If we continue to progress the development of our product candidates, we believe that our existing cash, cash equivalents and marketable securities as of December 31, 2025, will be sufficient to fund our operating expenses and capital expenditure requirements for at least 12 months beyond the date of the filing of this proxy statement/prospectus. This estimate and our expectation to advance the preclinical and clinical development of RLYB116 and any other product candidates are based on assumptions that may prove to be wrong, or we may be subject to changing circumstances. We could exhaust our available capital resources sooner than we expect. Our business is subject to numerous risks and uncertainties, and we may be unable to accurately estimate the actual amount of funds we will require for development and commercialization of our product candidates. Our future capital requirements, both near and long-term, will depend on many factors, including, but not limited to:

- the initiation, progress, timing, costs and results of our clinical trials through all phases of development;
- the outcome, timing and cost of meeting regulatory requirements established by the FDA, EMA, and other comparable foreign regulatory authorities, including any regulatory designations allowing for priority review and any additional clinical trials required by the FDA, EMA or other comparable foreign regulatory authorities;
- the willingness of the FDA, EMA and other comparable foreign regulatory authorities to accept our clinical trial designs, as well as data from our completed and planned preclinical studies and clinical trials, as the basis for review and approval of RLYB116 and any other product candidates;
- the cost and timing of the manufacture and supply of non-clinical, clinical and commercial quantities of RLYB116 and our other product candidates;
- the identification, assessment, acquisition and/or development of additional research programs and additional product candidates;
- the cost of filing, prosecuting, and enforcing our patent claims and other intellectual property rights;
- the cost of defending potential intellectual property disputes, including patent infringement actions brought by third parties against us;
- the costs associated with potential clinical trial liability or product liability claims, including the costs associated with obtaining insurance against such claims and with defending against such claims;
- the effect of competing technological and market developments;
- the cost of making royalty, milestone or other payments under our current or any future in-license agreements;
- our ability to maintain our collaboration with AbCellera on favorable terms and establish new collaborations;

- the extent to which we in-license or acquire additional product candidates or technologies; and
- the costs of operating as a public company.

If we continue to progress the development of our product candidates, we will require significant additional capital, which we may raise through equity offerings, debt financings, marketing and distribution arrangements, strategic alliances and licensing arrangements or other sources. Depending on our business performance, the economic climate and market conditions, we may be unable to raise additional funds when needed on favorable terms, or at all. Furthermore, pursuant to Instruction I.B.6, a company with a public float of less than \$75 million measured at certain time periods may not issue securities under Registration Statements on Form S-3 in excess of one-third of its public float in a 12-month period. For purposes of the prior sentence, "public float" means the aggregate market value of a company's shares held by non-affiliates. We are subject to the limitations of Instruction I.B.6 which may limit the amount of funds we can raise using Registration Statements on Form S-3. Moreover, uncertain geopolitical events, such as the war in Ukraine and conflict in Israel, and uncertain global economic conditions, including as a result of changes in tariffs and other trade restrictions, have impacted the global economy, and a severe or prolonged economic downturn could result in a variety of challenges for our business, including disruptions in the financial markets, which could adversely impact our ability to raise additional capital when needed or on favorable terms, if at all. If we do not succeed in raising additional funds on acceptable terms, we may need to significantly delay, scale back or discontinue the development of one or more of our product candidates or the commercialization of any product that may be approved for marketing, or we could be forced to discontinue operations. In addition, attempting to secure additional financing may divert the time and attention of our management from day-to-day activities and harm our product candidate development efforts.

Because we have limited financial resources, we have focused and may continue to focus on a limited set of research programs and product candidates and for a limited set of indications. We may forego or delay pursuit of opportunities with certain other product candidates or for other indications that could have greater commercial potential or a greater likelihood of success. Our capital allocation decisions may cause us to fail to realize value from, or advance, viable commercial products or profitable market opportunities.

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

If we continue to progress the development of our product candidates, until such time, if ever, as we generate significant revenue from product sales, we expect to finance our operations through the sale of equity, debt financings, collaborations, strategic alliances and licensing arrangements or other sources. We do not currently have any committed external source of funds. In addition, we may seek additional capital due to favorable market conditions or strategic considerations, even if we believe that we have sufficient funds for our current or future operating plans.

To the extent that we raise additional capital through the future sale of equity or convertible debt securities, including sales of our common stock pursuant to the Sales Agreement with TD Securities (USA) LLC, each equityholder's ownership interest will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect their rights as a common stockholder. In addition, debt financing and preferred equity financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends. If we raise additional funds 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, and we may need to dedicate a substantial additional portion of any operating cash flows to the payment of principal and interest on such indebtedness. Any future indebtedness, combined with our other financial obligations, could increase our vulnerability to adverse changes in general economic, industry and market conditions, limit our flexibility in planning for, or reacting to, changes in our business and the industry and impose a competitive disadvantage compared to our competitors that have less debt or better debt servicing options. If we raise additional funds through collaborations, strategic alliances or licensing arrangements with third parties, we may be required to relinquish valuable rights to our intellectual property, future revenue streams or product candidates or grant licenses on terms that may not be favorable to us. If we are unable to raise additional funds when needed, we may be required to delay, limit, reduce or terminate development or future commercialization efforts for one or more of our product candidates.

We have a limited operating history and no history of commercializing pharmaceutical products, which may make it difficult to evaluate the prospects for our future viability.

Rallybio was founded in January 2018 and our operations to date have been limited primarily to research and development activities, and raising capital. We have not yet demonstrated the ability to successfully complete a large-scale, pivotal clinical trial, obtain marketing approval, manufacture a commercial-scale product, or arrange for a third-party to do so on our behalf, or conduct sales and marketing activities necessary for successful commercialization. Consequently, predictions about our future success or viability may not be as accurate as they could be if we had a longer operating history or a history of successfully developing and commercializing pharmaceutical products.

As a business with a limited operating history, we may encounter unforeseen expenses, difficulties, complications, delays and other known and unknown challenges. If we continue to progress the development of our product candidates, we will eventually need to transition from a company with a research and development focus to a company capable of supporting commercial activities. We may not be successful in such a transition and, as a result, our business may be adversely affected.

Our quarterly and annual financial results may fluctuate, which makes our results difficult to predict and may cause our results to fall short of expectations.

Our financial condition and operating results have varied in the past and will continue to fluctuate from quarter-to-quarter and year-to-year in the future due to a variety of factors, many of which are beyond our control. Factors relating to our business that may contribute to these fluctuations include the following, as well as other factors described elsewhere in this proxy statement/prospectus:

- variations in the level of expense related to any ongoing development of our product candidates or research pipeline;
- delays or failures in advancement of any existing or future product candidates into the clinic or in clinical trials;
- the feasibility of developing, manufacturing and commercializing our product candidates;
- our relationships, and any associated exclusivity terms, with strategic collaborators;
- our execution of any additional collaboration, licensing or similar arrangements, and the timing of payments we may make or receive under existing or future arrangements, or the termination or modification of any such existing or future arrangements;
- if we continue to progress the development of our product candidates, our operation in a net loss position in the foreseeable future;
- if we continue to progress the development of our product candidates, our ability to consistently manufacture our product candidates, including in sufficient quantities for clinical or commercial purposes;
- our dependence on, and the need to attract and retain, key management and other personnel;
- strategic decisions by us or our competitors, such as acquisitions, divestitures, spin-offs, joint ventures, strategic investments or changes in business strategy;
- potential advantages that our competitors and potential competitors may have in developing and commercializing competing products, securing funding for or obtaining the rights to critical intellectual property;
- if we continue to progress the development of our product candidates, regulatory developments affecting our product candidates or those of our competitors;
- If we continue to progress the development of our product candidates, and any of our product candidates receives regulatory approval, the terms of such approval and market acceptance and demand for such product candidates;
- developments or disputes concerning patents or other proprietary rights, litigation matters and our ability to obtain and maintain patent protection for our product candidates;
- business interruptions such as power outages, strikes, civil unrest, wars, acts of terrorism or natural disasters; and
- our ability to use our net operating loss ("NOL") and income tax credit carryforwards to offset income tax.

Due to these and other factors, the results of any of our prior quarterly or annual periods should not be relied upon as indications of our future operating performance, and a period-to-period comparison of our results of operations may not be a meaningful indication of our future performance. In any particular quarter or quarters, our operating results could be below the expectations of securities analysts or investors, which could cause our stock price to decline.

Our ability to use our net operating loss and income tax credit carryforwards to offset future income tax liabilities may be subject to certain limitations.

We have incurred substantial NOLs during our history. To the extent that we continue to generate taxable losses, unused losses will carry forward and can be used to offset future taxable income, if any, until such unused losses expire, if at all. NOLs generated in taxable years beginning after December 31, 2017 are not subject to expiration. Federal NOLs generated in taxable years beginning after December 31, 2017 generally may not be carried back to prior taxable years. The deduction for NOLs arising in taxable years beginning after December 31, 2017 is generally limited to 80% of current year taxable income. We also have substantial federal and state research and development and other tax credit carryforwards. These tax credit carryforwards could expire unused and be unavailable to offset future income tax liabilities. In addition, in general, under Sections 382 and 383 of the Code, a corporation that undergoes an "ownership change" is subject to limitations on its ability to use its pre-change NOLs and tax credit carryforwards to offset future taxable income. Some of our historical NOLs may be subject to annual limitations on our ability to use them due to prior ownership changes. Additionally, the Merger may result in such an ownership change, and we may experience such ownership changes in the future as a result of future transactions in our stock, some of which may be outside our control. If we undergo an ownership change, our ability to use our NOLs and income tax credit carryforwards could be further limited. For these reasons, we may not be able to use a material portion of our NOLs or tax credit carryforwards, even if we attain profitability.

Risks Related to Discovery, Development, Clinical Testing, Manufacturing, Marketing Approval and Commercialization

We are heavily dependent on the success of RLYB116, which is in early-stage clinical development. If we continue to progress the development of our product candidates, and are not able to develop, obtain marketing approval for, or successfully commercialize our product candidates, or if we experience significant delays in doing so, our business will be materially harmed.

Our lead program, RLYB116, is in early-stage clinical development and we do not currently have any products that generate revenues or any other sources of revenue. To date, we have invested a significant portion of our efforts and financial resources in the development of RLYB212 and RLYB116. If we continue to progress the development of our product candidates, our future success is substantially dependent on our ability to successfully complete preclinical and clinical development for, obtain marketing approval for, and successfully commercialize, RLYB116 and our other product candidates, which may never occur. None of our product candidates are approved for commercial sale and we may never be able to develop a marketable product.

Before obtaining marketing approvals for the commercial sale of our product candidates, we must demonstrate the safety and efficacy of our product candidates for use in each target indication through lengthy, complex and expensive preclinical studies and clinical trials. Failure can occur at any time during the preclinical study and clinical trial processes. Because our product candidates are in an early stage of development, there is a high risk of failure, and we may never succeed in developing marketable products. If we continue to progress the development of our product candidates, our ability to generate product revenue will depend heavily on the successful development and eventual commercialization of our product candidates, which may never occur. Ongoing and future preclinical studies and clinical trials of our product candidates may not show sufficient safety or efficacy or be of sufficient quality to obtain or maintain marketing approvals. For example, PK data from the Phase 2 clinical trial for RLYB212 demonstrated an inability of the RLYB212 dose regimen to achieve predicted target concentrations, as well as the minimum target concentration required for efficacy. There can be no assurance that any of our product candidates, even if approved, will prove to be commercially viable therapeutics.

RLYB116 is designed for SC self-administration. The formulation or physical properties of RLYB116 may ultimately be determined to be inadequate to support this route of administration. If SC administration is not feasible, then we

may need to identify additional formulations or routes of administration, which could delay initiation of our future clinical trials or commercialization and result in significant additional costs. Further, alternative formulations and routes of administration may be required to differentiate our product candidates from competitors and/or secure access to support successful commercialization.

If we continue to progress the development of our product candidates, the success of our product candidates will depend on several factors, including the following:

- successful and timely initiation of preclinical studies, and successful and timely initiation of, enrollment in, and completion of our clinical trials with results that support a finding of safety and effectiveness and an acceptable risk-benefit profile of our product candidates in the intended populations within the timeframes we have projected;
- regulatory grants of authorization to proceed under Investigational New Drug Applications ("INDs") or CTAs such that we can commence planned or future clinical trials of our product candidates;
- sufficiency of our financial and other resources to complete the necessary preclinical studies and clinical trials;
- our ability to successfully utilize certain delivery systems, such as pre-filled syringes ("PFSs"), pen-injectors and/or autoinjectors, for certain of our product candidates and to obtain marketing approval of any such drug/device combination product;
- the outcome, timing, and cost of meeting regulatory requirements, including any post-marketing commitments, established by the FDA, EMA and other comparable foreign regulatory authorities;
- establishing commercially viable arrangements with third-party manufacturers for clinical and commercial supply;
- obtaining and maintaining patent and trade secret protection and regulatory exclusivity for our product candidates;
- establishing sales, marketing and distribution capabilities, whether alone or through a collaboration, to support commercialization of our product candidates, if and when approved;
- acceptance of the product candidates, if and when approved, by patients, the medical community and third-party payors;
- effectively differentiating and competing with other therapies approved and/or used for the same indications as our product candidates, particularly RLYB116;
- obtaining and maintaining third-party coverage and reimbursement;
- enforcing and defending intellectual property rights and claims; and
- maintaining an acceptable safety profile of the product candidates following approval.

If we do not successfully address one or more of these factors in a timely manner or at all, we could experience significant delays or an inability to commercialize our product candidates, which would materially harm our business. Due to the uncertain and time-consuming clinical development and marketing approval process, we may not successfully develop any of our product candidates and may choose to discontinue the development of any of our product candidates prior to receiving marketing approval. If we discontinue development of a product candidate, we will not receive anticipated revenues from that product candidate and we may not receive any return on our investment in that product candidate. We may discontinue a product candidate for clinical reasons if it does not prove to be safe and effective for its targeted indications, or if such product candidates do not achieve the necessary efficacy at tolerated doses required for patient benefit. For example, we discontinued RLYB212 development based on PK data from the Phase 2 clinical trial that demonstrated an inability of the RLYB212 dose regimen to achieve predicted target concentrations, as well as the minimum target concentration required for efficacy. In addition, there may be important facts about the safety, efficacy and risk versus benefit of our product candidates that are not known to us at this time. Any unexpected safety events or our failure to generate sufficient data in our clinical trials to demonstrate efficacy may cause a product candidate to fail clinical development. Furthermore, even if that product candidate meets its safety and efficacy endpoints, we may discontinue its development for various reasons, such as changes in the competitive environment or the standard of care and the prioritization of our resources.

The U.S. Supreme Court's June 2024 decision in *Loper Bright Enterprises v. Raimondo* overturned the longstanding *Chevron* doctrine, under which courts were required to give deference to regulatory agencies' reasonable interpretations of ambiguous federal statutes. The *Loper* decision could result in additional legal challenges to regulations and guidance issued by federal agencies, including the FDA, on which we rely. Any such legal challenges, if successful, could have a material impact on our business. Additionally, the *Loper* decision may result in increased regulatory uncertainty, inconsistent judicial interpretations, and other impacts to the agency rulemaking process, any of which could adversely impact our business and operations. We cannot predict the likelihood, nature or extent of government regulation that may arise from future legislation or administrative action or as a result of legal challenges, 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, our business could be materially harmed.

Preclinical studies and clinical trials are expensive, time consuming and difficult to design and implement, and involve uncertain outcomes. If we continue to progress the development of our product candidates, we may incur additional costs or experience delays in completing, or ultimately be unable to complete, the development of our product candidates.

Before obtaining marketing approval from the FDA, EMA or other comparable regulatory authorities for the sale of our product candidates, we must complete preclinical studies and extensive clinical trials to demonstrate the safety and efficacy of our product candidates. To initiate clinical trials for any future product candidates, we must submit the results of preclinical studies to the FDA, EMA or other comparable foreign regulatory authorities, along with other information, including information about CMC and our proposed clinical trial protocol, as part of an IND or similar regulatory filing that must be accepted by the FDA, EMA or other applicable regulatory authorities before we may proceed with clinical development. In the event that regulators require us to complete additional preclinical studies or we are required to satisfy other regulator requests, such as obtaining alignment on the device regulatory pathway for our FNAIT prevention program, the start of our clinical trials may be delayed or prevented. Even after we receive and incorporate guidance from these regulatory authorities, the FDA, EMA or other regulatory authorities could (i) disagree that we have satisfied their requirements to commence our clinical trial, (ii) change their position on the acceptability of our data, trial design or the clinical endpoints selected, which may require us to complete additional preclinical studies or clinical trials or (iii) impose stricter requirements for approval than we currently expect.

If we continue to progress the development of our product candidates, we may experience events that could delay or prevent our ability to complete current clinical trials or initiate and complete new trials, any of which may impact our product development timelines, result in increased costs, affect our ability to obtain marketing approval according to our plans, and delay commercialization of our product candidates. These events include, but are not limited to:

- the FDA, EMA or other comparable foreign regulatory authorities requiring us to submit additional data or imposing other requirements before permitting us to commence a trial;
- delays in receiving or denial by regulatory agencies of permission to proceed with our planned clinical trials or any other clinical trials we may initiate, or placement of a clinical trial on hold;
- negative results from our non-clinical trials or clinical trials;
- challenges, delays and cost involved in identifying, recruiting and retaining suitable participants and clinical trial sites in sufficient numbers to participate in clinical trials;
- delays in reaching an 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 trial sites;
- delays in obtaining an independent IRB approval at each site within the United States, or Independent Ethics Committee ("IEC") approval at sites outside the United States;
- delays or problems in analyzing data, or the need for additional analysis or data or the need to enroll additional patients;
- failure by us, our CROs, trial sites or investigators to adhere to clinical trial, regulatory, legal or contractual requirements and perform trials in accordance with the FDA's Good Clinical Practice ("GCP") requirements and trial protocol;

- inadequate quantity or quality of product candidate or other materials necessary to conduct clinical trials, for example as a result of delays in defining and implementing the manufacturing process for materials used in clinical trials or for the manufacture of larger quantities or other delays or issues arising in the manufacturing of sufficient supply of finished drug product;
- lack of adequate funding to continue a clinical trial, including as a result of unanticipated costs or increases in costs of clinical trials;
- occurrence of serious adverse events including unexpected serious adverse events, associated with the product candidate or reports from non-clinical or clinical testing of our own or competing therapies that raise safety or efficacy concerns, or delays or failures in addressing patient safety concerns that arise during the course of a trial;
- changes in regulatory requirements and guidance that require changes to planned or ongoing preclinical and clinical studies, or the conduct of additional studies; and
- difficulties recruiting and retaining employees, consultants or contractors with the required level of expertise.

In addition, we could encounter delays if a clinical trial is suspended or terminated by us, the IRBs or IECs of the institutions in which such trials are being conducted, the FDA, EMA or other regulatory authorities, or recommended for termination by a Data and Safety Monitoring Board ("DSMB") for such trial. Such authorities may impose a suspension or termination or recommend an alteration to clinical trials due to several factors, including failure to conduct the clinical trial in accordance with regulatory requirements or our clinical protocols, the identification of safety issues or adverse side effects, failure to demonstrate a benefit from using a drug, changes in governmental regulations or administrative actions.

Furthermore, we rely and will rely on CROs and clinical trial sites to ensure the proper and timely conduct of our clinical trials and, while we have agreements governing their committed activities, we have limited influence over their actual performance, as described in the section titled "*Risks Related to Our Dependence on Third Parties.*"

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

Any delays in completing our clinical trials will increase our costs, slow down our product candidate development and approval process and jeopardize our ability to commence product sales and generate revenues. In addition, many of the factors that cause, or lead to, termination or suspension of, or a delay in the commencement or completion of, clinical trials may also ultimately lead to the denial of regulatory approval of our product candidates. Any delays to our clinical trials could shorten any period during which we may have the exclusive right to commercialize our product candidates and our competitors may be able to bring products to market before we do, and the commercial viability of our product candidates could be significantly reduced. Any of these occurrences may harm our business, financial condition and prospects significantly.

If we continue to progress the development of our product candidates, results of preclinical studies, clinical trials or analyses that we may announce or publish from time to time, may not be indicative of results obtained in later trials, and any interim results we may publish could be different than final results.

The results of preclinical studies, clinical trials or analyses of the results from such trials, may not be predictive of the results of later clinical trials. Product candidates in later clinical trials may fail to show the desired safety and efficacy traits despite having progressed through preclinical studies and prior clinical trials or having shown promising results based on analyses of data from earlier trials. Late-stage clinical trials may include a larger number of patients and could differ in other significant ways from early-stage clinical trials, including changes to inclusion and exclusion criteria, patient population, efficacy endpoints, dosing regimen and statistical design. A number of companies in the biopharmaceutical industry have suffered significant setbacks in later-stage clinical trials due to lack of efficacy or adverse safety profiles, notwithstanding earlier promising results. In addition, conclusions based

on promising data from analyses of clinical results, such as the prospective and post hoc analysis of results may be shown to be incorrect in subsequent clinical trials that have pre-specified end points or may not be considered adequate by regulatory authorities. We have completed Phase 1 clinical studies for RLYB116, however, even if we complete later clinical trials as planned, we cannot be certain that their results will support the safety and efficacy requirements sufficient to obtain regulatory approval, and, as a result, our clinical development plans may be materially harmed.

Similarly, interim, "top-line" and preliminary data from our clinical trials that we announce or publish may change as more patient data become available or as additional analyses are conducted. The data obtained in such clinical trials are subject to additional audit and verification procedures and following such procedures, such interim data could be materially different from the final data.

Enrollment and retention of patients in rare disease clinical trials is an expensive and time-consuming process and could be made more difficult or rendered impossible by multiple factors outside our control.

If we continue to progress the development of our product candidates, identifying and qualifying patients to participate in clinical trials of our product candidates is critical to our success. We currently are conducting, and plan to conduct, clinical trials with our product candidates in rare disease indications, which can make completion of such trial more difficult. The timely completion of clinical trials in accordance with their protocols depends, among other things, on the speed at which we can recruit eligible patients to participate in testing our product candidates and our ability to enroll a sufficient number of patients who remain in the study until its conclusion. Clinical trial recruitment delays often result in increased costs, delays in advancing product development, delays in testing the effectiveness of technologies, delays in obtaining marketing approval or termination of clinical trials.

Patient enrollment and retention in clinical trials depends on many factors, including:

- the design of the clinical trial, including the patient eligibility criteria defined in the protocol;
- the size and nature of the patient population required for analysis of the trial's primary endpoints;
- the existing body of safety and efficacy data with respect to the product candidate;
- the proximity of patients to clinical sites;
- our ability to recruit clinical trial investigators with the appropriate competencies and experience;
- clinicians' and patients' perceptions as to the potential advantages of the product candidate being studied in relation to other available therapies, including any new drugs or medical devices that may be approved for the indications we are investigating;
- competing clinical trials being conducted by other companies or institutions, particularly for RLYB116;
- our ability to obtain and maintain patient consents;
- the risk that patients enrolled in clinical trials will drop out of the trials before completion; and
- other factors we may not be able to control that may limit patients, principal investigators or staff, or clinical site availability.

Additionally, we may have difficulty identifying and enrolling patients for any planned clinical trials because the conditions for which we plan to evaluate our current product candidates are rare diseases and we anticipate that there will be limited patient pools from which to draw for clinical trials. Further, because screening for many of these diseases is not widely adopted, and because it can be difficult to diagnose these diseases in the absence of screening, we may have difficulty finding patients who are eligible to participate in our studies or trials. Our clinical trials for RLYB116 may compete with other clinical trials for product candidates that are being tested for the same indications. 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. Furthermore, any negative results we may report in clinical trials of any of our product candidates may make it difficult or impossible to recruit and retain patients in other clinical trials of that same or a similar product candidate.

Outside of the United States, our ability to initiate, enroll and complete a clinical trial successfully is subject to numerous additional risks, including:

- difficulty in establishing or managing relationships with CROs and physicians;

- different standards for the conduct of clinical trials;
- our inability to locate qualified local consultants, physicians and partners; and
- the potential burden of complying with a variety of foreign laws, medical standards and regulatory requirements, including the regulation of pharmaceutical and biotechnology products and treatment.

We may not be able to initiate or continue clinical trials required by the FDA, EMA or other regulatory authorities if we cannot enroll a sufficient number of eligible patients to participate in the clinical trials. If we have difficulty enrolling a sufficient number of patients to conduct our clinical trials as planned, we may need to delay, limit or terminate ongoing or planned clinical trials. Delays or failures in planned patient enrollment or retention may result in increased costs or program delays, which could have a harmful effect on our ability to develop our product candidates or could render further development impossible.

If we continue to progress the development of our product candidates, any product candidates that we develop or the administration thereof, may cause serious adverse events or undesirable side effects, which may halt their clinical development, delay or prevent marketing approval, or, if approved, require them to be taken off the market, include safety warnings, or otherwise limit their sales.

Adverse events or undesirable side effects caused by any product candidates we develop could cause us or regulatory authorities or IRBs, IECs or DSMBs, where applicable, to interrupt, delay, or halt clinical trials and, if we seek approval of any such product candidate, could result in a more restrictive label, imposition of a Risk Evaluation and Mitigation Strategy ("REMS") program by the FDA or the delay or denial of regulatory approval by the FDA, EMA or other comparable foreign regulatory authorities. Additionally, the administration process or related procedures associated with our product candidates also may cause adverse side effects. Even if we determine that serious adverse events are unrelated to study treatment, such occurrences could affect patient recruitment or the ability of enrolled patients to complete the trial. Results of any clinical trial we conduct could reveal a high and unacceptable severity and prevalence of side effects. For example, complement inhibitors have, by design, immunosuppressive effects and, in some cases, may be administered to patients with significantly compromised health. As a result, administration of RLYB116 could make patients more susceptible to infection. The chronic dosing of patients with RLYB116 could lead to an immune response that causes adverse reactions or impairs the activity and/or efficacy of RLYB116. Patients may develop an allergic reaction to the drug and/or develop antibodies directed at RLYB116, or may require immunization with a meningococcal vaccine and prophylactic antibiotics. An immune response that causes adverse reactions or impairs the activity of RLYB116 could cause a delay in or termination of our development plans.

Some potential therapeutics that initially showed therapeutic promise in early-stage trials have later been found to cause side effects that prevented their further development. In addition, side effects could affect patient recruitment or the ability of enrolled patients to complete a trial or result in potential clinical trial or product liability claims. Inadequate training or failures by clinical trial personnel in recognizing or managing the potential side effects of our product candidates could result in patient injury or death. Furthermore, clinical trials by their nature utilize a sample of the potential patient population. With a limited number of subjects and limited duration of exposure, rare and severe side effects of our product candidates or those of our competitors may only be uncovered when a significantly larger number of patients have been exposed to the drug.

If we or others later identify undesirable side effects caused by any product candidate that we develop after the product is approved, several negative consequences could result, which could materially harm our business, including:

- regulatory authorities may suspend or withdraw approvals of such product candidate;
- regulatory authorities may require additional warnings on the label, limit the approved use of such product candidate, or otherwise restrict distribution or marketing such as through requiring adoption of a REMS program;
- we may be required to conduct additional clinical trials;
- we could be sued and held liable for harm caused to patients; and
- our reputation may suffer.

We cannot predict whether our product candidates will cause toxicities in humans that would preclude or lead to the revocation of marketing approval based on preclinical studies or early-stage clinical trials. Even if the side effects do not preclude the drug from obtaining or maintaining marketing approval, undesirable side effects may inhibit market acceptance of the approved product due to its tolerability versus other therapies. Any of these events could prevent us from achieving or maintaining market acceptance of a product candidate, if approved, and could significantly harm our business, results of operations, and prospects.

The marketing approval processes of the FDA, EMA and comparable foreign regulatory authorities, including the MHRA, are lengthy, time-consuming and inherently unpredictable, and if we continue to progress the development of our product candidates, and we are ultimately unable to obtain marketing approval for RLYB116 or any of our other product candidates, our business will be substantially harmed.

In the United States, we are not permitted to market a product candidate until we receive approval of a Biologics License Application ("BLA") or a New Drug Application ("NDA") from the FDA. The process of obtaining BLA and NDA approval is expensive, often takes many years and can vary substantially based upon the type, complexity and novelty of the products involved. Approval policies or regulations may change, and the FDA and other regulatory authorities have substantial discretion in the approval process, including the ability to delay, limit or deny approval of a product candidate for many reasons. In addition, the FDA may require post-approval clinical trials or studies as a condition of approval, which also may be costly. The FDA approval for a limited indication or approval with required warning language, such as a boxed warning, could significantly impact our ability to successfully market our product candidates. The FDA also may require adoption of a REMS requiring prescriber training, post-market registries, or otherwise restricting the marketing and dissemination of these products. Certain of our product candidates will rely on delivery systems, such as PFSS, pen-injectors and/or autoinjectors, and may ultimately be regulated as a drug/device combination product. Although the FDA and similar foreign regulatory agencies have systems in place for the review and approval of combination products, we may experience delays in the development and commercialization of our product candidates due to regulatory timing constraints and uncertainties in the product development and approval process. Despite the time and expense invested in the clinical development of product candidates, regulatory approval is never guaranteed for our product candidates. Assuming successful clinical development, we intend to seek product approvals in countries outside the United States, including in Europe. As a result, we would be subject to regulation by the EMA, as well as the other regulatory agencies in these countries.

Of the large number of drugs in development, only a small percentage successfully complete the marketing approval processes and are commercialized. This lengthy approval process, as well as the unpredictability of future clinical trial results, may result in our failing to obtain marketing approval to market our product candidates and we may be forced to abandon our development efforts for our product candidate, which would significantly harm our business, results of operations, and prospects.

The time required to obtain approval by the FDA, EMA and other comparable foreign regulatory authorities is unpredictable but typically takes many years following the commencement of clinical trials and depends upon numerous factors. In addition, approval policies, regulations, or the type and amount of clinical data necessary to gain approval may change during a product candidate's clinical development and may vary among jurisdictions. We have not obtained marketing approval for any product candidate and it is possible that we will never obtain marketing approval for any product candidate.

Prior to obtaining approval to commercialize a product candidate in the United States or abroad, we must demonstrate to the satisfaction of the FDA, EMA or other comparable foreign regulatory authority, that such product candidates are safe and effective for their intended uses. Data obtained from preclinical studies and clinical trials are susceptible to varying interpretations, and regulatory authorities may not interpret our data as favorably as we do, which may further delay, limit, or prevent development efforts, clinical trials, or marketing approval. Even if we believe the preclinical or clinical data for our product candidates are sufficient to support approval, such data may not be considered sufficient to support approval by the FDA, EMA and other comparable regulatory authorities.

If we continue to progress the development of our product candidates, the FDA, EMA or other comparable foreign regulatory authority can delay, limit, or deny approval of RLYB116 or any of our other product candidates that we

develop or require us to conduct additional preclinical or clinical testing or abandon a program for many reasons, including, but not limited to:

- the FDA, EMA or other comparable foreign regulatory authorities may disagree with the design or implementation of our clinical trials;
- we may be unable to demonstrate to the satisfaction of the FDA, EMA or other comparable foreign regulatory authorities that our product candidate is safe and effective for its proposed indication;
- serious and unexpected drug-related side effects experienced by participants in our clinical trials or by individuals using drugs similar to our product candidates, or other products containing an active ingredient in our product candidates;
- negative or ambiguous results from our clinical trials or results that may not meet the level of statistical significance required by the FDA, EMA or other comparable foreign regulatory authorities for approval;
- the population studied in the clinical trial may not be sufficiently broad or representative to assure safety and efficacy in the full population for which we seek approval;
- the FDA, EMA or other comparable foreign regulatory authorities may not accept clinical data from trials which are conducted at clinical facilities or in countries where the standard of care is potentially different from that of the United States or the applicable foreign jurisdiction;
- we may be unable to demonstrate that our product candidate's clinical and other benefits outweigh its safety risks;
- the FDA, EMA or other comparable foreign regulatory authorities may disagree with our interpretation of data from preclinical studies or clinical trials;
- the data collected from clinical trials of our product candidates may not be acceptable or sufficient to support the submission of a BLA or NDA or to obtain regulatory approval in the United States or elsewhere, and we may be required to conduct additional clinical trials;
- the FDA's or the applicable foreign regulatory authority's disagreement regarding the formulation, the labeling, and/or the specifications of our product candidates;
- additional time may be required to obtain regulatory approval for our product candidates because they are combination products;
- the FDA, EMA or other comparable foreign regulatory authorities may fail to approve or find deficiencies with the manufacturing processes or facilities of third-party manufacturers with which we contract for clinical and commercial supplies; and
- the policies, regulations, and guidelines of the FDA, EMA or other comparable foreign regulatory authorities regarding the development, approval, and marketing of drugs and biologics may significantly change, including but not limited to, in the U.S., as a result of the 2025 change in presidential administration, which may render our clinical data insufficient for approval or restrict us from marketing our product candidates in the manner in which we anticipate.

We have never obtained marketing approval for a product candidate. If we continue to progress the development of our product candidates, any delay in obtaining, or an inability to obtain, marketing approvals would prevent us from commercializing our product candidates, generating revenues, and achieving and sustaining profitability.

Our product candidates target rare diseases and conditions, and if we continue to progress the development of our product candidates, the market opportunities for RLYB116 or any of our other product candidates, if approved, may be smaller than we anticipate. We must be able to successfully identify patients and capture a significant market share to achieve profitability and growth.

Our product candidates target rare diseases and conditions. With respect to RLYB116, we estimate that there are approximately 8,000 patients with immune PTR and up to 10,000 patients with refractory APS in the United States. Our projections of the number of eligible patients are based on our beliefs and estimates. These estimates have been derived from a variety of sources, including scientific literature, population statistics and market research, and may prove to be incorrect. Further, new sources may reveal a change in the estimated number of eligible patients, and the number of patients may turn out to be lower than expected. Additionally, the potentially addressable patient population for our current programs or future product candidates may be limited or may not be amenable to treatment with our product candidates, and new patients may become increasingly difficult to identify or gain access

to. For example, even if we obtain FDA approval for RLYB116, the drug may be approved for a target population that is more limited than what we currently anticipate. Furthermore, even if we obtain significant market share for any product candidate, if approved, the potential target populations for our product candidates are for rare diseases, and we may never achieve profitability.

Further, in many cases there are either limited screening or diagnostic tests for the indications our product candidates are being developed to potentially treat. The lack of screening and diagnostic tests, coupled with the fact that there is frequently limited awareness among certain health care providers concerning the rare diseases we may seek to treat, often means that a proper diagnosis can, and frequently does, take years to identify (or an appropriate diagnosis may never be made for certain patients). As a result, even if one of our product candidates is approved for commercial sale, we may not be able to grow our revenues due to difficulty in identifying eligible patients. There can be no guarantee that any of our programs will be effective at identifying patients that will benefit from our product candidates, and even if we can identify patients that our product candidates can help, the number of patients that our product candidates may ultimately treat may turn out to be lower than we expect, they may not be otherwise amenable to treatment with our product candidates, or new patients may become increasingly difficult to identify, all of which may adversely affect our ability to grow and generate revenue and adversely affect our results of operations and our business. In addition, even in instances where we are able to expand the number of patients being treated, the number may be offset by the number of patients that discontinue use of the applicable product in a given period resulting in a net loss of patients and potentially decreased revenue.

We face significant competition from biotechnology and pharmaceutical companies, and if we continue to progress the development of our product candidates, our operating results will suffer if we fail to compete effectively.

The biotechnology and pharmaceutical industries are highly competitive and subject to significant and rapid technological change. Our success is highly dependent on our ability to acquire, develop, and obtain marketing approval for new products on a cost-effective basis and to market them successfully. If a product candidate we develop is approved, we will face intense competition. There are many public and private biopharmaceutical companies, universities, government agencies and other research organizations actively engaged in the research and development of products that may be like our product candidates or address similar markets. Mergers and acquisitions in the pharmaceutical, biotechnology and diagnostic industries may result in even more resources being concentrated among a smaller number of our competitors. These competitors also compete with us in establishing clinical trial sites and patient registration for clinical trials, as well as in acquiring technologies complementary to, or necessary for, our programs. Smaller or early-stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies. In addition, the number of companies seeking to develop and commercialize products and therapies competing with our product candidates is likely to increase. However, we seek to build our portfolio with key differentiating attributes to provide a competitive advantage in the markets we target. If we successfully develop and, if approved, commercialize RLYB116, this therapy may compete with anticoagulants such as Warfarin, or potentially be used in conjunction, with currently marketed treatments and any new therapies that may become available in the future.

If we continue to progress the development of our product candidates, competition could render any product candidate we develop obsolete, less competitive, or uneconomical. In addition, product candidates developed by our competitors may prove to be more safe or more effective than our product candidates. Our competitors may, among other things:

- have significantly greater name recognition and financial, manufacturing, marketing, product development, technical, commercial infrastructure, and human resources than we do;
- more effectively recruit and retain qualified scientific and management personnel;
- more effectively establish clinical trial sites and patient registration;
- develop and commercialize products that are safer, more effective, less expensive, more convenient, or easier to administer, or have fewer or less severe side effects;
- obtain quicker regulatory approval;
- better protect their patents and intellectual property or acquire technologies that are complementary to, or necessary for, our programs;

- implement more effective approaches to sales, marketing, pricing, coverage, market access, and reimbursement; or
- form more advantageous strategic alliances or collaborations.

If we are not able to effectively compete for any of the foregoing reasons, our business will be materially harmed.

Disruptions in the FDA and other government agencies caused by funding shortages or global health concerns could hinder their ability to hire and retain key leadership and other personnel, or otherwise prevent new products and services from being developed or commercialized in a timely manner, which, if we continue to progress the development of our product candidates, 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, ability to hire and retain key personnel and accept the payment of user fees, and statutory, regulatory, and policy changes and other events that may otherwise affect the FDA's ability to perform routine functions. Average review times at the agency have fluctuated in recent years as a result. In addition, government funding of other government agencies that fund research and development activities is subject to the political process, which is inherently fluid and unpredictable.

Disruptions at the FDA and other agencies may also slow the time necessary for new drugs to be reviewed or approved by necessary government agencies, which would adversely affect our business. For example, in recent years, including for 43 days beginning on October 1, 2025 and for 35 days beginning on December 22, 2018, the U.S. government has shut down several times and certain regulatory agencies, such as the FDA, have had to furlough critical employees and stop critical activities. The Trump Administration has reduced the number of employees serving in government agencies, including the FDA. If a prolonged government shutdown occurs, or if the U.S. government takes other personnel actions, it could significantly impact the ability of the FDA to timely review and process our regulatory submissions, which could have a material adverse effect on our business.

Even if we obtain marketing approval for a product candidate in the United States, we or our current or future collaborators may never obtain approval for or commercialize the product candidate in any other jurisdiction, which would limit our ability to realize its full market potential.

In order to market any product in a particular jurisdiction, we or our current or future collaborators must establish and comply with numerous and varying regulatory requirements regarding safety and efficacy on a country-by-country basis. Approval by the FDA in the United States does not ensure approval by comparable regulatory authorities in other countries or jurisdictions. However, the failure to obtain approval in one jurisdiction may negatively impact our or our collaborators' ability to obtain approval elsewhere. In addition, clinical trials conducted in one country may not be accepted by regulatory authorities in other countries, and regulatory approval in one country does not guarantee regulatory approval in any other country.

Approval processes vary among countries and can involve additional product testing and validation and additional administrative review periods. Seeking foreign regulatory approval could result in difficulties and increased costs for us and require additional preclinical studies or clinical trials which could be costly and time-consuming. Regulatory requirements can vary widely from country to country and could delay or prevent the introduction of our products in those countries. We do not have any product candidates approved for sale in any jurisdiction, including in international markets, and we do not have experience in obtaining regulatory approval in international markets. If we or our collaborators fail to comply with regulatory requirements in international markets or to obtain and maintain required approvals, or if regulatory approvals in international markets are delayed, our target market will be reduced and we will be unable to realize the full market potential of any product we develop.

Even if we obtain marketing approval for any of our product candidates, we will still face extensive and ongoing regulatory requirements and obligations and continued regulatory review, which may result in significant additional expense. We may be subject to penalties if we fail to comply with regulatory requirements or experience unanticipated problems with any product candidates.

Any product candidate for which we obtain marketing approval will be subject to extensive and ongoing requirements of the FDA and other regulatory authorities. These requirements include submissions of safety and other post-marketing information and reports, establishment registration and drug listing requirements, continued compliance

with the FDA's current cGMP requirements regarding the distribution of samples to physicians and recordkeeping and Good Laboratory Practice ("GLP") and GCP requirements for non-clinical studies and any clinical trials that we conduct post-approval.

The FDA may also require costly post-marketing studies or clinical trials and surveillance to monitor the safety or efficacy of a product. Additionally, the FDA closely regulates the post-approval marketing and promotion of drugs to ensure drugs are marketed only for the approved indications and in a manner that is consistent with the provisions of the approved labeling. If we market our products for uses beyond their approved indications or otherwise inconsistent with the FDA-approved labeling, we may be subject to enforcement action for off-label marketing by the FDA and other federal and state enforcement agencies, including the DOJ. Violation of the FDCA and other statutes, including the False Claims Act, and equivalent legislation in other countries relating to the promotion and advertising of prescription products may also lead to investigations or allegations of violations of federal and state and other countries' health care fraud and abuse laws and state consumer protection laws. Even if it is later determined we were not in violation of these laws, we may be faced with negative publicity, incur significant expenses defending our actions and have to divert significant management resources from other matters.

In addition, later discovery of previously unknown adverse events or other problems with our products, manufacturers, or manufacturing processes or failure to comply with regulatory requirements, may yield various results, including, but not limited to:

- restrictions on manufacturing such products;
- restrictions in the labeling or on the marketing of products;
- restrictions on product distribution or use;
- requirements to conduct post-marketing studies or additional post-marketing clinical trials;
- issuance of warning letters or untitled letters;
- refusal to approve pending applications or supplements to approved applications that we submit, or delays in such approvals;
- recalls or market withdrawals of products;
- fines, restitution, or disgorgement of profits or revenues;
- suspension or termination of ongoing clinical trials;
- suspension or withdrawal of marketing approvals;
- refusal to permit the import or export of our products;
- product seizure; and
- injunctions, consent decrees, or the imposition of civil or criminal penalties.

If we obtain FDA approval for RLYB116, safety risks not identified in our prior clinical trials may first appear after we obtain approval and commercialize RLYB116. Any new post-marketing adverse events may significantly impact our ability to market the drugs and may require that we recall and discontinue commercialization of RLYB116. Furthermore, if any confirmatory post-marketing trial fails to confirm the clinical profile or clinical benefits of RLYB116, the FDA may withdraw its approval, which would materially harm our business.

We also cannot predict the likelihood, nature, or extent of government regulation that may arise from future legislation or administrative or executive action, either in the United States or abroad. Further, the FDA's, EMA's and other comparable regulatory authorities' policies may change, and additional government regulations may be enacted that could prevent, limit, or delay regulatory approval of a product candidate or increase the costs and regulatory burden of commercialization. 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, prospects, financial condition, and results of operations. Furthermore, non-compliance by us or any collaborator with regulatory requirements, including safety monitoring or pharmacovigilance, may also result in significant financial penalties, which would adversely affect our business.

If we continue to progress the development of our product candidates, we may seek Fast Track designation, Breakthrough Therapy designation, or Priority Medicines (“PRIME”) program designation for our product candidates, but we might not receive any such designation, and even if we do, such designation may not actually lead to a faster development or regulatory review or approval process.

If a drug is intended for the treatment of a serious or life-threatening condition, and non-clinical or clinical data demonstrate the potential to address an unmet medical need for this condition, the product candidate may qualify for FDA Fast Track designation, for which sponsors must apply. Sponsors of fast-track products may have more frequent interactions with the FDA, and, in some circumstances, the FDA may initiate review of sections of a fast track product's application before the application is complete. We may submit an application for Fast Track designation for RLYB116. The FDA has broad discretion whether to grant this designation, and we may not receive it. Moreover, even if we receive Fast Track designation, Fast Track designation does not ensure that we will receive marketing approval and we may not experience a faster development or regulatory review or approval process with Fast Track designation compared to conventional FDA procedures. In addition, the FDA may withdraw Fast Track designation if it believes that the designation is no longer supported by data from our clinical development program. Fast Track designation alone does not guarantee qualification for the FDA's priority review procedures.

If we continue to progress the development of our product candidates, we also may seek a Breakthrough Therapy designation for some of our product candidates if future results support such designation. A Breakthrough Therapy is defined as a drug (including biologic) that is intended, alone or in combination with one or more other drugs, to treat a serious condition, and preliminary clinical evidence indicates that the drug may demonstrate substantial improvement over existing therapies on one or more clinically significant endpoints, such as substantial treatment effects observed early in clinical development. Sponsors of products that have been designated as breakthrough therapies are eligible to receive more intensive FDA guidance on establishing an efficient drug development program, an organization commitment involving senior managers, and may be eligible for rolling review. Drugs designated as breakthrough therapies by the FDA may also be eligible for other expedited review programs, including accelerated approval and priority review, if supported by clinical data at the time the BLA or NDA is submitted to the FDA.

Designation as a Breakthrough Therapy is within the discretion of the FDA. Accordingly, even if we believe that a product candidate meets the criteria for designation as a Breakthrough Therapy, the FDA may disagree and instead determine not to make such designation. Even if we receive Breakthrough Therapy designation, the receipt of such designation may not result in a faster development or regulatory review or approval process compared to drugs considered for approval under conventional FDA procedures and does not assure ultimate approval by the FDA. In addition, even if a product candidate qualifies as a Breakthrough Therapy, the FDA may later decide that such product candidate no longer meets the conditions for qualification or decide that the time period for FDA review or approval will not be shortened.

In the European Union (“EU”) we may seek PRIME designation for some of our product candidates in the future. PRIME is a voluntary program aimed at enhancing the EMA's role to reinforce scientific and regulatory support in order to optimize development and enable accelerated assessment of new medicines that are of major public health interest with the potential to address unmet medical needs. The program focuses on medicines that target conditions for which there exists no satisfactory method of treatment in the EU or even if such a method exists, it may offer a major therapeutic advantage over existing treatments. PRIME is limited to medicines under development and not authorized in the EU and the applicant intends to apply for an initial MA application through the centralized procedure. To be accepted for PRIME, a product candidate must meet the eligibility criteria in respect of its major public health interest and therapeutic innovation based on information that can substantiate the claims. The benefits of a PRIME designation include the appointment of a Committee for Medicinal Products for Human Use (“CHMP”) rapporteur to provide continued support and help to build knowledge ahead of a MA application, early dialogue and scientific advice at key development milestones, and the potential to qualify products for accelerated review, meaning reduction in the review time for an opinion on approvability to be issued earlier in the application process. PRIME enables an applicant to request parallel EMA scientific advice and Health Technology Assessment (“HTA”) advice to facilitate timely market access. Even if we receive PRIME designation for any of our product candidates, the designation may not result in a materially faster development process, review or approval compared to conventional EMA procedures. Further, obtaining PRIME designation does not assure or increase the likelihood of EMA's grant of a marketing authorization.

If we continue to progress the development of our product candidates, we may be unsuccessful in obtaining or may be unable to maintain the benefits associated with orphan drug designation, including the potential for market exclusivity. If our competitors are able to obtain orphan drug exclusivity for products that constitute the same drug and treat the same indications as RLYB116 or any of our other product candidates, we may not be able to have competing products approved by the applicable regulatory authority for a significant period of time.

Regulatory authorities in some jurisdictions, including the United States and the EU may designate drugs for relatively small patient populations as orphan drugs. Under the U.S. Orphan Drug Act, the FDA may designate a drug as an orphan drug if it is a drug 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 a patient population of more than 200,000 in the United States where there is no reasonable expectation that the cost of developing the drug will be recovered from sales in the United States. In the EU, the EMA's Committee for Orphan Medicinal Products evaluates, and the EC grants, an orphan drug designation principally to promote the development of products that are intended for the diagnosis, prevention or treatment of a life-threatening or chronically debilitating condition affecting not more than five in 10,000 persons in the EU. In addition, the product under consideration is indicated for a condition where there exists no satisfactory method of diagnosis, prevention or treatment authorized in the EU or, if such method exists, that the medicinal product will be of significant benefit to those affected by that condition. We may seek orphan drug designation in the United States and the EU for certain of our product candidates but may be unsuccessful in doing so. There can be no assurance that the FDA or the EMA's Committee for Orphan Medicinal Products will consider orphan designation for any indication for which we apply or re-apply, or that we will be able to maintain such designation. In the United States, orphan drug designation entitles a party to financial incentives such as opportunities for grant funding towards clinical trial costs, tax advantages and user-fee waivers. 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.

If a product candidate with an orphan drug designation subsequently receives the first marketing approval for the indication for which it has such designation, the product is entitled to a period of marketing exclusivity, which precludes the EMA or the FDA from approving another marketing application for the same drug or biologic for the same orphan designation for that time period, except in limited circumstances, such as a showing of clinical superiority to the product with orphan drug exclusivity or where the manufacturer is unable to assure sufficient product quantity. In the United States, the exclusivity period is seven years. The applicable exclusivity period is ten years in Europe, but such exclusivity period can be reduced to six years in Europe if a product no longer meets the criteria for orphan designation or if the product is sufficiently profitable so that market exclusivity is no longer justified. Moreover, orphan drug exclusive marketing rights in the United States may be lost if the FDA later determines that the request for designation was materially defective or if the manufacturer is unable to assure sufficient quantity of the drug to meet the needs of patients with the rare disease or condition. Similarly, in the EU, the market exclusivity can be broken if the holder of the MA for the original orphan medicinal product is unable to supply sufficient quantities of the medicinal product. In addition, in both the United States and EU, if a different drug is subsequently approved for marketing for the same or a similar indication as any of our product candidates that receive marketing approval, we may face increased competition and lose market share regardless of orphan drug exclusivity, which only protects against approval of the "same" drug for the same indication.

If we continue to progress the development of our product candidates, we may seek accelerated approval by the FDA for one or more of our product candidates. Accelerated approval by the FDA, even if granted for any of our product candidates, may not lead to a faster development or regulatory review or approval process and it does not increase the likelihood that our product candidates will receive marketing approval.

We may in the future seek an accelerated approval for our one or more of our product candidates. Under the accelerated approval program, the FDA may grant accelerated approval to a product candidate designed to treat a serious or life-threatening condition that provides meaningful therapeutic benefit over available therapies upon a determination that the product candidate has an effect on a surrogate endpoint or intermediate clinical endpoint that is reasonably likely to predict clinical benefit. As a condition of approval, the FDA requires that a sponsor of a product receiving accelerated approval perform a post-marketing confirmatory clinical trial or trials. In addition, the FDA currently requires as a condition for accelerated approval the pre-submission of promotional materials to FDA for review.

Prior to seeking accelerated approval for any of our product candidates, we intend to seek feedback from the FDA and will otherwise evaluate our ability to seek and receive accelerated approval. There can be no assurance that after our evaluation of the feedback and other factors we will decide to pursue or submit a BLA for accelerated approval or any other form of expedited development, review or approval. Furthermore, if we decide to submit an application for accelerated approval there can be no assurance that such submission or application will be accepted or that the FDA will determine that the product candidate is eligible for or grant accelerated approval. A failure to obtain any planned accelerated approval for our product candidates would result in a longer time period to commercialization of our product candidates, if approved, could increase the cost of development of our product candidates and could harm our competitive position in the marketplace. If we receive accelerated approval for any of our product candidates, the FDA may withdraw accelerated approval if, among other things, a confirmatory trial required to verify the predicted clinical benefit of the product fails to verify such benefit or if such trial is not conducted with due diligence. Withdrawal of any accelerated approval could substantially harm our business.

If we continue to progress the development of our product candidates, the successful commercialization of any product candidate we develop will depend in part on the extent to which regulatory authorities and private health insurers establish coverage and reimbursement. Failure to obtain or maintain coverage and reimbursement for our product candidates, if approved, could limit our ability to market those products and decrease our or our ability to generate revenue.

If any product candidate is approved for marketing, coverage and reimbursement for such product by governmental healthcare programs, such as Medicare and Medicaid, private health insurers, and other third-party payors would be essential for most patients to be able to afford the prescription medication. Our ability to achieve acceptable levels of coverage and reimbursement for products or procedures using our products will therefore have an effect on our ability to successfully commercialize any product candidates we develop. We cannot be sure that coverage and reimbursement will be available for our product candidates, if and when such candidates obtain marketing approval, and any reimbursement that may become available may not be adequate and may be decreased or eliminated in the future.

Moreover, increasing efforts by governmental and third-party payors in the United States to cap or reduce healthcare costs may cause third-party payors to limit both coverage and the level of reimbursement for newly approved products and, as a result, such payors may not cover or provide adequate payment for any product we commercialize. We expect to experience pricing pressures in connection with the sale of our product candidates due to the trend toward managed health care and additional legislative, administrative, or regulatory changes. The downward pressure on healthcare costs in general, particularly prescription drugs and biologics and related administration procedures, has become intense and new products face increasing challenges in entering the market successfully. Third-party payors are increasingly challenging the price and examining the cost-effectiveness of new products in addition to their safety and efficacy. To obtain or maintain coverage and reimbursement for any product, we may need to conduct expensive pharmacoeconomic studies to demonstrate the medical necessity and cost-effectiveness of our product.

We may also need to provide discounts to purchasers to encourage purchasing of any approved product and rebates to third party payors to increase the possibility of favorable coverage and adequate cost sharing thresholds for patients. We may be required to provide discounts or rebates on any approved product under government healthcare programs or to certain government and private purchasers in order to obtain coverage under federal health care programs such as Medicaid. Participation in such programs would require us to track and report certain drug prices. We may be subject to fines and other penalties if we fail to report such prices accurately.

No uniform policy for coverage and reimbursement for products exists among third-party payors in the United States. Therefore, coverage and reimbursement for products can differ significantly from payor to payor, and one third-party payor's decision to cover a particular product does not ensure that other payors will also provide similar coverage. Additionally, the process for determining whether a third-party payor will provide coverage for a product is typically separate from the process for setting the price of such product or establishing the reimbursement rate that the payor will pay for the product once coverage is approved. As a result, the coverage determination process is often a time-consuming and costly process that will require us to provide scientific and clinical support for the use of our product candidates to each payor separately, with no assurance that coverage and reimbursement will be obtained or will be consistent across payors. And, even if products are covered, third party payors may implement various mechanisms

to control utilization (e.g., requiring prior approval for coverage for each patient). Additionally, coverage and reimbursement for screening and diagnostic tests associated with any products would be assessed and determined separately. Furthermore, rules and regulations regarding reimbursement change frequently, in some cases at short notice, and we believe that changes in these rules and regulations are likely. If coverage or reimbursement is not available or is available only at limited levels, we may not be able to successfully commercialize our product candidates and may not be able to obtain a satisfactory financial return on our product candidates.

We may also be subject to extensive governmental price controls and other market regulations outside of the United States, and we believe the increasing emphasis on cost-containment initiatives in other countries have and will continue to put pressure on the pricing and usage of medical products. In many countries, the prices of medical products are subject to varying price control mechanisms as part of national health systems. Other countries allow companies to fix their own prices for medical products but monitor and control company profits. Additional foreign price controls or other changes in pricing regulation could restrict the amount that we are able to charge for our products. Accordingly, in markets outside of the United States, the reimbursement for products we commercialize may be reduced compared with the United States and may be insufficient to generate commercially reasonable revenue and profits.

If we continue to progress the development of our product candidates, even if a product candidate we develop receives marketing approval, it may fail to achieve market acceptance by physicians, patients, third-party payors or others in the medical community necessary for commercial success.

Even if our product candidates receive regulatory approval, they may not gain market acceptance among physicians, patients, healthcare payors and the medical community. Various factors will influence whether our product candidates are accepted in the market if approved for commercial sale, including, but not limited to:

- the efficacy, safety and tolerability of our products, and potential advantages compared to alternative treatments;
- the clinical indications for which the product is approved, and product labeling or product insert requirements of the FDA, EMA or other comparable foreign regulatory authorities, including any limitations or warnings contained in a product's approved labeling;
- the effectiveness of sales and marketing efforts;
- the prevalence and severity of any side effects;
- the cost of treatment in relation to alternative treatments, including any similar treatments;
- our ability to offer our products for sale at competitive prices;
- the availability and access to screening and/or diagnostic tests;
- the convenience and ease of administration compared to alternative treatments;
- the willingness of the target patient population to try new therapies and of physicians to prescribe these therapies;
- the strength of marketing and distribution support;
- the availability of third-party coverage and reimbursement for any of our products that are approved and any screening and/or diagnostic testing, as appropriate; and
- any restrictions on the use of our product together with other medications.

Market acceptance of our product candidates is heavily dependent on patients' and physicians' perceptions that our product candidates are safe and effective treatments for their targeted indications and willingness to use screening and/or diagnostic tests to identify at-risk target populations for our therapeutics. The perceptions of any product are also influenced by perceptions of competitors' products that are in the same class or that have a similar mechanism of action. Because we expect sales of our product candidates, if approved, to generate substantially all our revenues in the foreseeable future, the failure of our product candidates to find market acceptance would harm our business and could require us to seek additional financing.

If approved, our product candidates that are regulated as biologics may face competition from biosimilars approved through an abbreviated regulatory pathway.

The Biologics Price Competition and Innovation Act of 2009 ("BPCIA") was enacted as part of the Affordable Care Act ("ACA") to establish an abbreviated pathway for the approval of biosimilar and interchangeable biological

products. The regulatory pathway establishes legal authority for the FDA to review and approve biosimilar biologics, including the possible designation of a biosimilar as “interchangeable” based on its similarity to an approved biologic. Under the BPCIA, a reference biological product is granted 12 years of data exclusivity from the time of first licensure of the product, and the FDA will not accept an application for a biosimilar or interchangeable product based on the reference biological product until four years after the date of first licensure of the reference product. In addition, the approval of a biosimilar product may not be made effective by the FDA until 12 years from the date on which the reference product was first licensed. During this 12-year period of exclusivity, another company may still develop and receive approval of a competing biologic, so long as their BLA does not rely on the reference product, sponsor’s data or submit the application as a biosimilar application. Any new policies or processes adopted by the FDA could have a material adverse effect on the future commercial prospects for our biological products.

We believe that any of the product candidates we develop that is approved in the United States as a biological product under a BLA should qualify for the 12-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 the subject product candidates to be reference products for competing products, potentially creating the opportunity for biosimilar competition sooner than anticipated. Moreover, the extent to which a biosimilar, once approved, will be substituted for any one of the reference products in a way that is similar to traditional generic substitution for non-biological products is not yet clear, and will depend on a number of marketplace and regulatory factors that are still developing. The approval of a biosimilar of our product candidates could have a material adverse impact on our business due to increased competition and pricing pressure.

If we continue to progress the development of our product candidates, and are unable to establish sales, marketing and distribution capabilities either on our own or in collaboration with third parties, we may not be successful in commercializing any product candidates we develop, if approved.

In order to market and successfully commercialize any product candidates we develop, if approved, we must build our sales and marketing capabilities or enter into collaborations with third parties for these services. We currently have no sales, marketing or distribution capabilities and as a company have no experience in marketing products. If we commercialize any of our product candidates that may be approved ourselves, we will need to develop an in-house marketing organization and sales force across rare disease therapeutic areas, which will require significant expenditures, management resources, and time. There are significant expenses and risks involved with establishing our own sales and marketing capabilities, including our ability to hire, train, retain, and appropriately incentivize a sufficient number of qualified individuals, generate sufficient sales leads and provide our sales and marketing team with adequate access to physicians who may prescribe our products, effectively manage a geographically dispersed sales and marketing team, and other unforeseen costs and expenses. We will have to compete with other pharmaceutical and biotechnology companies to recruit, hire, train, and retrain marketing and sales personnel. Any failure or delay in the development of a product candidate that affects the expected timing of commercialization of the product candidate or results in the failure of the product candidate to be commercialized could result in us having prematurely or unnecessarily incurred costly commercialization expenses. Our investment would be lost if we are unable to retain or reposition our sales and marketing personnel.

We may also enter into collaborations for the sales and marketing of our product candidates, if approved. To the extent that we depend on collaborators for sales and marketing activities, any revenues we receive will depend upon the success of those collaborators’ sales and marketing teams and the collaborators’ prioritization of our products and compliance with applicable regulatory requirements, and there can be no assurance that the collaborators’ efforts will be successful. If we are unable to build our own sales and marketing team or enter into a collaboration for the commercialization of product candidates we develop, if approved, we may be forced to delay the commercialization of our product candidates or reduce the scope of our sales or marketing activities, which would have an adverse effect on our business, operating results and prospects.

Under the current presidential administration, we face uncertainty regarding potential regulatory developments that may adversely affect our business if we continue to progress the development of our product candidates.

There have been significant and wide-ranging changes in law, regulation and policy under the current Trump administration. Current and future adopt legislation, regulation, or policy could adversely affect our business or creates a more challenging and costly environment to pursue the development and commercialization of our current or future product candidates. For example, the federal government, including the FDA, may implement legislative,

regulatory, or policy changes regarding the standards for approving biologic products that we may be unable to satisfy or regarding the marketing of approved biologics that may limit or prohibit the advertising and promotion of our current or future product candidates, if approved. Additionally, the Trump administration has undertaken significant efforts to reduce the size and spending of the federal government, including at the FDA. A significant reduction in the FDA's workforce or the FDA's budget or other disruptions at the FDA could impact the FDA's ability to engage in routine regulatory and oversight activities and result in delays or limitations on our ability to proceed with clinical development programs and obtain regulatory approvals. It is difficult to predict how executive actions that may be taken under the current Trump administration may affect the FDA's ability to exercise its regulatory authority. If such executive actions impose constraints on the FDA's ability to engage in routine oversight and product review activities in the normal course, our business may be negatively impacted.

Risks Related to Our Dependence on Third Parties

If we continue to progress the development of our product candidates, we may pursue business development transactions and collaborate with third parties for the development and commercialization of our product candidates. We may not succeed in identifying and acquiring businesses or assets, in-licensing or out-licensing intellectual property rights or establishing and maintaining collaborations, which may significantly limit our ability to successfully develop and commercialize our product candidates, if at all, and these transactions could disrupt our business, cause dilution to our stockholders or reduce our financial resources.

We acquired all rights to RLYB116 and RLYB114 from Sobi in 2019. We also obtained worldwide exclusive rights to RLYB332 from Sanofi in 2022. If we continue to progress the development of our product candidates, we may acquire or in-license rights to product candidates, products or technologies, acquire other businesses or enter into collaborations with third parties. We may not be able to enter into such transactions on favorable terms, or at all. Any such acquisitions, in-licenses or collaborations may not strengthen our competitive position, and these transactions may be viewed negatively by analysts, investors, customers, or other third parties with whom we have relationships. We may decide to incur debt in connection with an acquisition, or in-license or issue our common stock or other equity securities as consideration for the acquisition, which would reduce the percentage ownership of our existing stockholders.

We could incur losses resulting from undiscovered liabilities of the acquired business that are not covered by the indemnification we may obtain from the sellers of the acquired business. In addition, we may not be able to successfully integrate the acquired personnel, technologies, and operations into our existing business in an effective, timely, and non-disruptive manner. Such transactions may also divert management attention from day-to-day responsibilities, increase our expenses, and reduce our cash available for operations and other uses. We cannot predict the number, timing or size of future acquisitions or in-licenses or the effect that any such transactions might have on our operating results.

We may not realize the anticipated benefits of any current or future collaboration, each of which involves or will involve numerous risks, including:

- a collaborator may shift its priorities and resources away from our product candidates due to a change in business strategies, or a merger, acquisition, sale, or downsizing;
- a collaborator may seek to renegotiate or terminate its relationship with us due to unsatisfactory clinical results, manufacturing issues, a change in business strategy, a change of control or other reasons;
- a collaborator may cease development in therapeutic areas that are the subject of our collaboration;
- a collaborator may not devote sufficient capital or resources towards our product candidates, or may fail to comply with applicable regulatory requirements;
- a collaborator may change the success criteria for a product candidate, thereby delaying or ceasing development of such candidate;
- a significant delay in initiation of certain development activities by a collaborator will also delay payment of milestones tied to such activities, thereby impacting our ability to fund our own activities;
- a collaborator could develop a product that competes, either directly or indirectly, with our product candidates;

- a collaborator with commercialization obligations may not commit sufficient financial resources or personnel to the marketing, distribution, or sale of a product;
- a collaborator with manufacturing responsibilities may encounter regulatory, resource, or quality issues and be unable to meet demand requirements;
- a collaborator may terminate a strategic alliance;
- a dispute may arise between us and a collaborator concerning the research, development, or commercialization of a product candidate resulting in a delay in milestones or royalty payments or termination of the relationship and possibly resulting in costly litigation or arbitration, which may divert management's attention and resources; and
- a collaborator may use our products or technology in such a way as to invite litigation from a third-party.

If any collaborator fails to fulfill its responsibilities in a timely manner, or at all, our research, clinical development, manufacturing, or commercialization efforts related to that collaboration could be delayed or terminated, or it may be necessary for us to assume responsibility for expenses or activities that would otherwise have been the responsibility of our collaborator. If we are unable to establish and maintain collaborations on acceptable terms or to successfully transition away from terminated collaborations, we may have to delay or discontinue further development of one or more of our product candidates, undertake development and commercialization activities at our own expense, or find alternative sources of capital, which would have a material adverse impact on our clinical development plans and business. If we fail to establish and maintain collaborations related to our product candidates, we could bear all of the risk and costs related to the development of any such product candidate, and we may need to seek additional financing, hire additional employees and otherwise develop expertise for which we have not budgeted. This could negatively affect the development and commercialization of our product candidates.

We may face significant competition in identifying and acquiring businesses or assets, in-licensing intellectual property rights and seeking appropriate collaboration partners for our product candidates, and the negotiation process may be time-consuming and complex. In order for us to successfully partner our product candidates, potential collaborators must view these product candidates as economically valuable in markets they determine to be attractive in light of the terms that we are seeking and other products or product candidates available for licensing from or in connection with collaborations with other companies. Our success in acquiring business or assets or in partnering with collaborators may depend on our history or perceived capability of successful product development. Even if we are successful in our efforts to acquire businesses or assets, in-license intellectual property rights or establish collaborations, we may not be successful in developing such product candidates or technologies or able to maintain such collaborations if, for example, development or approval of a product candidate is delayed or sales of an approved product are disappointing.

Our reliance on a central team consisting of a limited number of employees and third parties who provide various administrative, research and development, and other services across our organization presents operational challenges that may adversely affect our business.

As of December 31, 2025, we had 14 full-time employees, upon whom we rely for various administrative, research and development, business development and other support services shared among our subsidiaries. The size of our centralized team may limit our ability to devote adequate personnel, time, and resources to support the operations of all of our subsidiaries, including their research and development activities, the management of financial, accounting, and reporting matters, and the oversight of our third-party vendors and partners. If our centralized team or our third-party vendors and partners performing such functions fail to provide adequate administrative, research and development, or other services across our entire organization, our business, financial condition, and results of operations could be harmed.

Our employees and independent contractors, including principal investigators, CROs, consultants and vendors, may engage in misconduct or other improper activities, including noncompliance with regulatory standards and requirements, which could have a material adverse effect on our business.

Misconduct by our employees and independent contractors, including principal investigators, CROs, consultants, vendors and any third parties we may engage in connection with research, development, regulatory, manufacturing, quality assurance and other pharmaceutical functions and commercialization, could include intentional, reckless or negligent conduct or unauthorized activities that violate various laws, including: (i) the laws and regulations of the FDA, and other similar regulatory authorities, including those laws that require the reporting of true, complete and

accurate information to such authorities; (ii) manufacturing standards; (iii) data privacy, security, fraud and abuse and other healthcare laws and regulations; or (iv) laws that require the reporting of true, complete and accurate financial information and data. Sales, marketing and business arrangements in the healthcare industry are subject to extensive laws and regulations intended to prevent fraud, misconduct, kickbacks, self-dealing and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, sales commission, customer incentive programs, and other business arrangements. Activities such as the improper use or misrepresentation of information obtained in the course of clinical trials, creation of fraudulent data in preclinical studies or clinical trials, or illegal misappropriation of drug product, could also result in regulatory sanctions and cause serious harm to our reputation. It is not always possible to identify and deter misconduct by employees and other third parties, 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 comply with such laws or regulations. Additionally, we are subject to the risk that a person or government agency could allege such fraud or other misconduct, even if none occurred. If any such actions are instituted against us or them and we are not successful in defending ourselves or asserting our rights, those actions could have a significant impact on our business and results of operations, including the imposition of significant civil, criminal, and administrative penalties, damages, monetary fines, possible exclusion from participation in Medicare, Medicaid, other U.S. federal healthcare programs or healthcare programs in other jurisdictions, individual imprisonment, other sanctions, contractual damages, reputational harm, diminished profits and future earnings, and curtailment of our operations.

We currently rely and will rely on third parties for the manufacture of drug substance and drug product for our preclinical studies and clinical trials and, if we continue to progress the development of our product candidates, expect to continue to do so for commercialization of any product candidates that we may develop that are approved for marketing. Our reliance on third parties may increase the risk that we will not have sufficient quantities of such drug substance, product candidates, or any products that we may develop and commercialize, or that such supply will not be available to us at an acceptable cost, which could delay, prevent, or impair our development or commercialization efforts.

We have limited personnel with experience in manufacturing, and we do not own facilities for manufacturing RLYB116 or any other product candidate. Instead, we rely on and expect to continue to rely on contract manufacturers for the supply of cGMP-drug substance and drug product of RLYB116 and any other product candidates we develop and, in the future, for commercial supply. Reliance on third parties may expose us to more risk than if we were to manufacture our product candidates ourselves.

We may be unable to establish necessary supply agreements with third-party manufacturers or to do so on acceptable terms. Even if we are able to establish agreements with third-party manufacturers, reliance on third-party manufacturers entails additional risks, including:

- the possible breach of the manufacturing agreement by the third-party;
- the possible termination or nonrenewal of the agreement by the third-party at a time that is costly or inconvenient for us;
- reliance on the third-party for regulatory compliance, quality assurance, safety, and pharmacovigilance and related reporting; and
- the possible inability of third-party suppliers to supply and/or transport materials, components and products to us in a timely manner as a result of disruptions to the global supply chain.

Third-party manufacturers may fail to comply with cGMP regulations or similar regulatory requirements outside the United States. Any failure to follow cGMP or other regulatory requirements or delay, interruption or other issues that arise in the manufacture, fill-finish, packaging, or storage of our product candidates as a result of a failure of our facilities or the facilities or operations of third parties to comply with regulatory requirements or pass any regulatory authority inspection could significantly impair our ability to develop and commercialize our product candidates, including leading to significant delays in the availability of our product candidates for our clinical trials or the termination of or suspension of a clinical trial, or the delay or prevention of a filing or approval of marketing applications for our product candidates. Moreover, our failure, or the failure of our third-party manufacturers, to comply with applicable regulations could result in sanctions being imposed on us, including fines, injunctions, civil

penalties, delays, suspension or withdrawal of approvals, license revocations, seizures or recalls of product candidates or medicines, operating restrictions, and criminal prosecutions, any of which could significantly and adversely affect supplies of our medicines and harm our business, financial condition, results of operations, and prospects.

While we provide oversight of manufacturing activities, we have limited ability to control the execution of manufacturing activities by, and are or will be dependent on, our CMOs for compliance with cGMP requirements for the manufacture of our product candidates by our CMOs. As a result, we are subject to the risk that our product candidates may have manufacturing defects or fail to comply with regulatory requirements, which we have limited ability to prevent. CMOs may also have competing obligations that prevent them from manufacturing our product candidates in a timely manner. If a CMO cannot successfully manufacture drug substance that conforms to our specifications and the regulatory requirements, we will not be able to secure or maintain regulatory approval for the use of our product candidates in clinical trials, or for commercial distribution of our product candidates, if approved. In addition, we have limited control over the ability of our CMOs to maintain adequate quality control, quality assurance, and qualified personnel, and we were not involved in developing our CMOs' policies and procedures.

The facilities and processes used to manufacture our product candidates are subject to inspection by the FDA, EMA and other comparable foreign authorities. If the FDA, EMA or other comparable foreign regulatory authority finds deficiencies with or does not approve these facilities for the manufacture of our product candidates or if it withdraws any such approval or finds deficiencies in the future, we may need to find alternative manufacturing facilities or conduct additional studies, which would delay our development program and significantly impact our ability to develop, obtain regulatory approval for, or commercialize our product candidates, if approved. Furthermore, CMOs may breach existing agreements they have with us because of factors beyond our control. They may also terminate or refuse to renew their agreement at a time that is costly or otherwise inconvenient for us. Finding new CMOs or third-party suppliers involves additional cost and requires our management's time and focus. In addition, there is typically a transition period when a new CMO commences work.

Any significant delay in the supply of our product candidates or the raw materials needed to produce our product candidates, could considerably delay conducting our clinical trials and potential regulatory approval of our product candidates. If we were unable to find an adequate CMO or another acceptable solution in time, our clinical trials could be delayed, or our commercial activities could be harmed.

We rely on and will continue to rely on CMOs to purchase from third-party suppliers the raw materials necessary to produce our product candidates. We have limited ability to control the process or timing of the acquisition of these raw materials by our CMOs. Moreover, we currently do not have any agreements for the production of these raw materials. Supplies of raw materials could be interrupted from time to time and we cannot be certain that alternative supplies could be obtained within a reasonable time frame, at an acceptable cost, or at all. In addition, a disruption in the supply of raw materials could delay the commercial launch of our product candidates, if approved, or result in a shortage in supply, which would impair our ability to generate revenues from the sale of our product candidates. Growth in the costs and expenses of raw materials may also impair our ability to cost effectively manufacture our product candidates. There are a limited number of suppliers for the raw materials that we may use to manufacture our product candidates and we may need to assess alternative suppliers to prevent a possible disruption of the manufacture of our product candidates. Moreover, our product candidates utilize drug substances that are produced on a small scale, which could limit our ability to reach agreements with alternative suppliers.

As part of their manufacture of our product candidates, our CMOs and third-party suppliers are expected to comply with and respect the intellectual property and proprietary rights of others. If a CMO or third-party supplier fails to acquire the proper licenses or otherwise infringes, misappropriates or otherwise violates the intellectual property or the proprietary rights of others in the course of providing services to us, we may have to find alternative CMOs or third-party suppliers or defend against claims of infringement, either of which would significantly impact our ability to develop, obtain regulatory approval for, or commercialize our product candidates, if approved.

Our collaborators also may breach their agreements with us or otherwise fail to perform to our satisfaction, which could impact the development timeline of our product candidates.

If we continue to progress the development of our product candidates, we will continue to rely on third parties to conduct, supervise, and monitor our preclinical studies and clinical trials. If we fail to effectively oversee and manage these third parties, if they do not successfully carry out their contractual duties, or if they perform in an unsatisfactory manner, it may harm our business.

We rely, and will continue to rely, on CROs, CRO-contracted vendors, and clinical trial sites to ensure the proper and timely conduct of our clinical trials. Our reliance on CROs for clinical development activities limits our control over these activities, but we remain responsible for ensuring that each of our trials is conducted in accordance with the applicable protocol and legal, regulatory, and scientific standards.

We and our CROs will be required to comply with the GLP requirements for our preclinical studies and GCP requirements for our clinical trials. Regulatory authorities enforce GCP requirements through periodic inspections of trial sponsors, principal investigators, and clinical trial sites. If we, or our CROs, fail to comply with GCP requirements, the clinical data generated in our clinical trials may be deemed unreliable and the FDA, EMA or other comparable foreign regulatory authorities may require us to perform additional clinical trials before approving our marketing applications. We cannot assure you that upon inspection by a given regulatory authority, such regulatory authority will determine that any of our clinical trials comply with GCP requirements and may require a large number of patients. Our failure or any failure by our CROs, investigators, CMOs or other third parties to comply with regulatory requirements or to recruit enough patients may delay ongoing or planned clinical trials or require us to repeat clinical trials, which would delay the regulatory approval process. Failure by us or by third parties we engage to comply with regulatory requirements can also result in fines, adverse publicity, and civil and criminal sanctions. Moreover, our business may be implicated if any of these third parties violates federal or state fraud and abuse or false claims laws and regulations or healthcare privacy and security laws.

Our CROs, vendors and clinical trial investigators are not our employees, and we do not control whether they devote sufficient time and resources to our clinical trials. These third parties may also have relationships with other commercial entities, including our competitors, for whom they may also be conducting clinical trials, or other drug development activities, which could harm our competitive position. We face the risk of potential unauthorized disclosure or misappropriation of our intellectual property by CROs and other third parties involved in our preclinical studies and clinical trials, which may reduce our trade secret protection and allow our potential competitors to access and exploit our proprietary technology. If our CROs and other third parties involved in our trials do not successfully carry out their contractual duties or obligations, or fail to meet expected deadlines, or if the quality or accuracy of the clinical data they obtain is compromised due to the failure to adhere to our clinical protocols or regulatory requirements or for any other reason, our clinical trials may be extended, delayed or terminated, and we may not be able to obtain regulatory approval for, or successfully commercialize, any product candidates that we develop. As a result, our financial results and the commercial prospects for any product candidates that we develop would be harmed, our costs could increase, and our ability to generate revenue could be delayed.

If our relationship with any CRO terminates, we may not be able to enter into arrangements with alternative CROs or do so on commercially reasonable terms. Switching or adding additional CROs involves substantial cost and requires management's time and focus. In addition, there is a natural transition period when a new CRO commences work. As a result, delays occur, which can materially impact our ability to meet our desired clinical development timelines. Though we intend to carefully manage our relationships with our CROs, there can be no assurance that we will not encounter challenges or delays in the future or that these delays or challenges will not have an adverse impact on our business, financial condition, and prospects.

Risks Related to Healthcare Laws and Other Legal Compliance Matters

If we continue to progress the development of our product candidates, enacted and future healthcare legislation may increase the difficulty and cost for us to obtain marketing approval of and commercialize our product candidates, if approved, and may affect the prices we may set.

In the United States and other jurisdictions, there have been, and we expect there will continue to be, a number of legislative and regulatory changes, and additional proposed changes, to the healthcare system that could affect our future results of operations. In particular, there have been and continue to be a number of initiatives at the U.S. federal and state levels that seek to reduce healthcare costs and improve the quality of health care. As an earlier example with longstanding impact, in March 2010, the ACA was enacted, which substantially changed the way

healthcare is financed by both governmental and private insurers. The ACA expanded health care coverage through a Medicaid eligibility expansion and the implementation of the individual mandate for health insurance coverage. The ACA also imposed an annual fee payable on manufacturers of branded prescription drugs and biologic agents (other than those designated as orphan drugs) and implemented changes to the coverage and reimbursement of drug products under government healthcare programs, including an expansion in the Medicaid drug rebate program, an increase in the statutory minimum rebates a manufacturer must pay under the Medicaid drug rebate program, and the establishment of a new Medicare Part D coverage gap discount program.

Beyond the ACA, there have been ongoing healthcare reform efforts, including efforts focused on drug pricing and payment. For example, the Inflation Reduction Act ("IRA") of 2022 includes a number of changes intended to address rising prescription drug prices in Medicare Parts B and D. These changes include caps on Medicare Part D out-of-pocket costs, Medicare Part B and Part D drug price inflation rebates, a new Medicare Part D manufacturer discount drug program (replacing the ACA Medicare Part D coverage gap discount program) and a drug price negotiation program for certain high spend Medicare Part B and D drugs (with negotiated prices for the first set of drugs taking effect in 2026). The IRA has had and will likely continue to have a significant impact on the pharmaceutical industry. Additionally, changes to Medicaid effective in 2024 eliminated the Medicaid rebate cap. And changes to certain Medicare price reporting requirements for drugs beginning in 2026 will likely increase the administrative and compliance burden for manufacturers.

Recently, drug pricing and payment has been subject to a number of reform initiatives. For example, President Trump issued an Executive Order in April 2025 with multiple directives aimed at lowering drug prices, including refining the Medicare drug price negotiation program established by the IRA; accelerating competition for high-cost prescription drugs by accelerating approval of generics and biosimilars and facilitating the process for re-classifying prescription drugs as over-the-counter drugs; and increasing drug importation. In May 2025, President Trump issued another Executive Order that directed government agencies and officials to identify most-favored nation pricing targets for prescription drugs (and looked to pharmaceutical manufacturers to make significant progress towards delivering target prices to patients); prevent foreign countries from disproportionately shifting the cost of global pharmaceutical research and development to the United States; and facilitate direct-to-consumer purchasing programs for pharmaceutical manufacturers to sell their products to patients at the most-favored-nation price. In the wake of the Executive Orders and related executive initiatives, a number of pharmaceutical manufacturers have announced direct-to-consumer offerings with discounted prices and/or reached agreement with the federal government regarding pricing for drugs, including prices for Medicaid drugs and newly launched products. A website sponsored by the federal government that is anticipated to offer pharmaceutical direct-to-consumer channels in the future has also been launched. Federal agencies are developing new drug pricing pilot programs, such as a voluntary Medicaid initiative which would authorize the federal government to negotiate Medicaid supplemental rebates with participating manufacturers on behalf of state Medicaid programs, in exchange for standardized coverage criteria for participating manufacturer drugs, and proposed Medicare Part B and D pilot models that, if finalized as proposed, would replace existing inflation-based Medicare rebates with rebates determined on the basis of international prices, for drugs and patients subject to the model. Many of these reform initiatives would require additional legal and/or administrative action to implement and may be subject to legal challenge.

Other federal healthcare reform efforts or actions may affect access to healthcare coverage or the funding of health care benefits, although the full impact of such efforts or actions cannot be predicted. For example, the Congressional Budget Office has estimated that Medicaid provisions in the 2025 budget reconciliation legislation, including restrictions in eligibility and funding for Medicaid, as well as changes to the healthcare marketplace such as the elimination of certain subsidies, will increase the number of uninsured.

Individual states in the United States have also become increasingly aggressive in passing legislation and implementing regulations designed to control pharmaceutical and biological product pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures, and, in some cases, measures designed to encourage importation from other countries and bulk purchasing.

Healthcare reform efforts have been and may continue to be subject to scrutiny, legal challenge and subsequent amendment, creating further uncertainty.

Other recent government actions may also affect prices or payments for prescription drugs. For example, the Trump Administration's recently announced tariff on branded or patented drugs may increase the cost of drug products that are imported from abroad or manufactured using products or materials imported from abroad. The timeline for implementation of this tariff has not yet been finalized. As another example, the Budget Control Act, as amended, resulted in the imposition of reductions in Medicare (but not Medicaid) payments to providers in 2013 and will remain in effect through 2032 unless additional Congressional action is taken. Any significant spending reductions affecting Medicare, Medicaid or other publicly funded or subsidized health programs that may be implemented and/or any significant taxes or fees that may be imposed on us could have an adverse impact on our results of operations.

Healthcare or other reform initiatives could affect demand for, or pricing of, any future products if approved for sale. We cannot, however, predict the ultimate content, timing or effect of any federal and state reform efforts. There is no assurance that federal or state health care reform will not adversely affect our future business and financial results.

In markets outside of the United States, reimbursement and healthcare payment systems vary significantly by country, and many countries have instituted price ceilings on specific products and therapies. We cannot predict the likelihood, nature, or extent of government regulation that may arise from future legislation or administrative action in the United States or any other jurisdiction. If we, or any third parties we may engage, are slow or unable to adapt to changes in existing requirements or the adoption of new requirements or policies, or if we or such third parties are not able to maintain regulatory compliance, our product candidates may lose any regulatory approval that may have been obtained and we may not achieve or sustain profitability.

If we continue to progress the development of our product candidates, our business operations and current and future relationships with contractors, investigators, healthcare professionals, consultants, third-party payors, patient organizations, customers, and others will be subject to applicable healthcare regulatory laws, which could expose us to penalties.

Our business operations and current and future arrangements with contractors, investigators, healthcare professionals, consultants, third-party payors, patient organizations, and customers may expose us to broadly applicable fraud and abuse and other healthcare laws and regulations. These laws may constrain the business or financial arrangements and relationships through which we conduct our operations, including how we research, market, sell, and distribute our product candidates, if approved. Such laws, some of which may apply only after our products are approved for marketing, include:

- U.S. federal false claims, false statements and civil monetary penalties laws prohibiting, among other things, any person from knowingly presenting, or causing to be presented, a false claim for payment of government funds or knowingly making, or causing to be made, a false statement to get a false claim paid;
- U.S. federal healthcare program anti-kickback law, which prohibits, among other things, persons from offering, soliciting, receiving or providing remuneration, directly or indirectly, to induce either the referral of an individual for, or the purchasing or ordering of, a good or service for which payment may be made under federal healthcare programs such as Medicare and Medicaid;
- U.S. HIPAA which, in addition to privacy protections applicable to healthcare providers and other entities, prohibits executing a scheme to defraud any healthcare benefit program or making false statements relating to healthcare matters;
- U.S. FDCA, which among other things, strictly regulates drug marketing, prohibits manufacturers from marketing such products prior to approval or for off-label use and regulates the distribution of samples;
- U.S. federal laws that require pharmaceutical manufacturers to calculate, report and certify certain complex product prices to the government or provide certain discounts or rebates to government authorities or private entities, often as a condition of reimbursement under government healthcare programs;
- U.S. federal Open Payments (or federal "sunshine" law), which requires pharmaceutical and medical device companies to monitor and report certain financial interactions with certain healthcare providers to Centers for Medicare & Medicaid Services ("CMS") for re-disclosure to the public, as well as ownership and investment interests held by physicians and their immediate family members;
- U.S. federal consumer protection and unfair competition laws, which broadly regulate marketplace activities and activities that potentially harm consumers;

- analogous U.S. state laws and regulations, including: state anti-kickback and false claims laws; state laws requiring pharmaceutical companies to comply with specific compliance standards, restrict financial interactions between pharmaceutical companies and healthcare providers or report information related to payments to health care providers, marketing expenditures or drug prices; state and local laws requiring the registration of pharmaceutical sales representatives; state laws regulating the manufacture and distribution of biopharmaceutical products; and state laws governing privacy, security, and breaches of health information in certain circumstances, many of which differ from each other in significant ways and often are not preempted by HIPAA, thus complicating compliance efforts;
- U.S. laws and regulations prohibiting bribery and corruption, such as the U.S. Foreign Corrupt Practices Act ("FCPA"), which, among other things, prohibits U.S. companies and their employees and agents from authorizing, promising, offering, or providing, directly or indirectly, corrupt or improper payments or anything else of value to foreign government officials, employees of public international organizations or foreign government-owned or affiliated entities, candidates for foreign public office, and foreign political parties or officials thereof; and
- similar healthcare laws and regulations in the EU and other jurisdictions, including reporting requirements detailing interactions with and payments to healthcare providers and laws governing the privacy and security of personal information, such as, where applicable, the General Data Protection Regulation ("GDPR") which imposes obligations and restrictions on the collection, use, and disclosure of personal data relating to individuals located in the EU and the European Economic Area ("EEA") (including health data). See "—Our business operations may subject us to data protection laws, including the GDPR, the United Kingdom ("UK") GDPR, the California Consumer Privacy Act of 2018 ("CCPA") and other similar laws."

Efforts to ensure that our business arrangements with third parties will comply with applicable healthcare and other laws and regulations will involve substantial costs. Given the breadth of the laws and regulations and narrowness of any exceptions, limited guidance for certain laws and regulations and evolving government interpretations of the laws and regulations, regulatory authorities may possibly conclude that our business practices may not comply with healthcare laws and regulations, including our consulting agreements and other relationships with healthcare providers.

If our operations are found to be in violation of any of the laws described above or any other governmental laws and regulations that may apply to us, we may be subject to actions including the imposition of civil, criminal, and administrative penalties, damages, disgorgement, monetary fines, possible exclusion from participation in Medicare, Medicaid, and other federal healthcare programs, individual imprisonment, contractual damages, reputational harm, diminished profits and future earnings, additional reporting requirements, or oversight if we become subject to a corporate integrity agreement or similar agreement to resolve allegations of non-compliance with these laws, and curtailment or restructuring of our operations, any of which could adversely affect our ability to operate our business and our results of operations. Further, defending against any such actions can be costly, time consuming, and may require significant 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.

Our business operations may subject us to data protection laws, including the GDPR, the UK GDPR, the CCPA and other similar laws.

The GDPR and UK GDPR apply to companies established in the EEA and UK, respectively, as well as to companies that are not established in the EEA or UK, respectively, and which collect and use personal data in relation to (i) offering goods or services to, or (ii) monitoring the behavior of, individuals located in the EEA or UK, respectively. If we conduct clinical trial programs in the EEA or UK (whether the trials are conducted directly by us or through a clinical vendor or collaborator), enter into research collaborations involving the monitoring of individuals in the EEA or UK, or market our products to individuals in the EEA or UK, we will be subject to the GDPR or UK GDPR, as applicable, which place stringent operational requirements for processors and controllers of personal data of individuals in the EEA and UK, respectively. If our or our collaborators' or service providers' privacy or data security measures fail to comply with the GDPR or UK GDPR requirements, we may be subject to litigation, regulatory investigations, enforcement notices requiring us to change the way we use personal data, temporary or definitive bans on data processing, or fines of up to 20 million Euros in the case of GDPR or £17.5 million in the case of UK GDPR or, in each case, up to 4% of our total worldwide annual revenue of the preceding financial year, whichever is

higher, as well as compensation claims by affected individuals, including class-action type litigation, negative publicity, reputational harm and a potential loss of business and goodwill.

Recent legal developments in Europe have created complexity and uncertainty regarding transfers of personal data from the EEA and the UK to the United States. On July 16, 2020, the Court of Justice of the European Union ("CJEU") invalidated the EU-US Privacy Shield Framework (the "Privacy Shield") under which personal data could be transferred from the EEA to US entities who had self-certified under the Privacy Shield scheme. This framework has been replaced by the E.U.-U.S. Data Privacy Framework, for which the EC adopted an adequacy decision in July 2023, and the UK Extension to the E.U.-U.S. Data Privacy Framework, which took effect in October 2023. While we do not currently rely upon these frameworks, we expect there to be legal challenges to this framework in the future, which could draw into question the legitimacy of other cross-border transfer mechanisms, including the standard contractual clauses on which we rely to transfer personal data from the EEA and UK to the U.S. and other jurisdictions. On June 4, 2021, the EC released two revised sets of standard contractual clauses for transfers of personal data from the EEA to the U.S. and has indicated that it will release additional revised standard contractual clauses in the future.

These recent developments may require us to review and amend the legal mechanisms by which we make and/ or receive personal data transfers to/ in the United States. Other countries outside of the EEA and UK maintain different privacy laws that we are subject to which may further increase our costs of compliance and expose us to greater legal risk.

There are numerous U.S. federal and state laws and regulations related to the privacy and security of personal information. In particular, regulations promulgated pursuant to HIPAA establish privacy and security standards that limit the use and disclosure of individually identifiable health information, or protected health information, and require the implementation of administrative, physical and technological safeguards to protect the privacy of protected health information and ensure the confidentiality, integrity and availability of electronic protected health information. Determining whether protected health information has been handled in compliance with applicable privacy standards and our contractual obligations can be complex and may be subject to changing interpretation. While we do not believe that we are directly subject to HIPAA as either a "covered entity" or "business associate," U.S. sites at which we conduct clinical trials are likely to be covered entities and thus must ensure that they obtain adequate patient authorization or establish another basis under HIPAA to disclose a clinical trial subject's individually identifiable health information to us and other entities participating in our clinical trials.

In the United States, the CCPA imposes many obligations for the collection, processing, and sharing of personal information of California residents. The CCPA provides for civil penalties for violations, as well as a private right of action for data breaches that is expected to increase data breach litigation. Because we have not yet generated revenue and do not meet the CCPA's other jurisdictional tests, we do not yet meet the applicable threshold for the CCPA to apply to our business. If our business becomes subject to CCPA in the future, it could increase our compliance costs and potential liability. Similar laws have been proposed or passed in more than half of the states in the U.S. and in the U.S. Congress. In addition, Washington state enacted the My Health, My Data Act, a health-focused consumer privacy law, which took effect in March 2024. This law imposes obligations related to the collection and sharing of certain health-related information that is not subject to HIPAA and that does not fall within certain other exceptions in the law. Other states have enacted, or are in the process of enacting, similar health-focused consumer privacy laws. Furthermore, all fifty U.S. states, the District of Columbia, Puerto Rico, and other U.S. territories have enacted data breach notification laws that require, among other things, notifications to state governments and/or the affected individuals in the event of a data breach. Such laws differ from one another, and may impose significant compliance burden. Further, we may at times fail, or be perceived to have failed, to have complied with such laws. This could result in significant consequences, which include, but are not limited to, the imposition of fines and penalties, government enforcement actions, investigations and other proceedings, as well as additional reporting requirements and/or oversight.

Also of note, in June 2024, the Protecting Americans' Data from Foreign Adversaries Act of 2024 took effect. This law prohibits data brokers from making available certain personally identifiable sensitive data of U.S. individuals to "foreign adversary" countries, such as the People's Republic of China ("PRC"), and entities controlled by such countries. Additionally, in January 2025, the DOJ published a final rule implementing President Biden's Executive

Order 14117, "Preventing Access to Americans' Bulk Sensitive Personal Data and United States Government-Related Data by Countries of Concern," which became effective in April 2025. This final rule prohibits certain data brokerage transactions and transactions involving certain bulk human 'omic data, including human genomic data and biospecimens from which such data can be derived, with restricted jurisdictions, such as the PRC, and "covered persons" that have certain ties to such restricted jurisdictions. The final rule also places restrictions on certain vendor, employment and investment agreements with such jurisdictions. These restrictions may affect our ability to engage in collaborations or license agreements with entities in restricted countries or with a nexus to such countries going forward. As such, we will need to review periodically our operations in comparison to developments in such laws. Achieving and sustaining compliance with applicable international, federal and state privacy, security, and breach reporting laws may prove time-consuming and costly. Failure to comply with any of these legal requirements could have a material adverse effect on our reputation, business, or financial condition, including but not limited to: interruptions or stoppages in our business operations, including our clinical studies; inability to process personal data or to operate in certain jurisdictions; limited ability to develop or commercialize our products; expenditure of time and resources to defend any claim or inquiry; adverse publicity; or revision or restructuring of our operations.

We are subject to environmental, health and safety laws and regulations, and we may become exposed to liability and substantial expenses in connection with environmental compliance or remediation activities.

Our operations, including our development, testing and manufacturing activities, are subject to numerous environmental, health and safety laws and regulations. These laws and regulations govern, among other things, the controlled use, handling, release, and disposal of and the maintenance of a registry for, hazardous materials and biological materials, such as chemical solvents, human cells, carcinogenic compounds, mutagenic compounds, and compounds that have a toxic effect on reproduction, laboratory procedures and exposure to blood-borne pathogens. If we fail to comply with such laws and regulations, we could be subject to fines or other sanctions.

As with other companies engaged in activities similar to ours, we face a risk of environmental liability inherent in our current and historical activities, including liability relating to releases of or exposure to hazardous or biological materials. Environmental, health and safety laws and regulations are becoming more stringent. We may be required to incur substantial expenses in connection with future environmental compliance or remediation activities, in which case, the production efforts of our third-party manufacturers or our development efforts may be interrupted or delayed.

Risks Related to Our Intellectual Property

If we are unable to obtain, maintain and enforce patent protection for our technology and product candidates, or if the scope of the patent protection obtained is not sufficiently broad, our competitors could develop and commercialize similar or identical technology and products, and our ability to successfully develop and commercialize our technology and product candidates may be adversely affected.

Our success depends in large part on our ability to obtain and maintain intellectual property, particularly patents, in the United States and other countries, with respect to any proprietary technology and product candidates we develop. If we are unable to obtain or maintain patent protection for proprietary technology or product candidates by filing patent applications and/or in-licensing related intellectual property in commercially relevant jurisdictions, our business, financial condition, results of operations and prospects could be materially harmed.

The patent prosecution process is expensive, time-consuming and complex, and we may not be able to identify, file, prosecute, maintain, defend or license all necessary or desirable patent applications at a reasonable cost or in a timely manner. In some circumstances involving technology that we license from third parties, we do not have the sole right to control the preparation, filing and prosecution of patent applications or to maintain, enforce and defend the in-licensed patents. Therefore, these in-licensed patents and applications may not be prepared, filed, prosecuted, maintained, defended and enforced in a manner consistent with the best interests of our business.

The patent rights of pharmaceutical and biotechnology companies generally are highly uncertain, involve complex legal and factual questions and have been the subject of much litigation in recent years. No consistent policy regarding the breadth of claims allowed in biotechnology and pharmaceutical patents has emerged in the United States or in numerous foreign jurisdictions. Various courts, including the U.S. Supreme Court, have rendered

decisions that affect the scope of patent eligibility of certain inventions or discoveries relating to biotechnology. These decisions conclude, among other things, that abstract ideas, natural phenomena and laws of nature are not themselves patent eligible subject matter.

Precisely what constitutes a law of nature or abstract idea is uncertain, and certain aspects of our technology could be considered ineligible for patenting under applicable law. In addition, the scope of patent protection outside the United States is uncertain, and laws of foreign countries may not protect our rights to the same extent as the laws of the United States or vice versa. For example, European patent law precludes the patentability of methods of treatment of the human body. With respect to both owned and in-licensed patent rights, we cannot predict whether the patent applications we and our licensors are currently pursuing will issue as patents that protect our technology and product candidates, in whole or in part, in any particular jurisdiction or whether the claims of any issued patents will provide sufficient protection from competitors. Changes in either the patent laws or interpretation of the patent laws in the United States or other countries may diminish the value of our patents and our ability to obtain, protect, maintain, defend and enforce our patent rights, narrow the scope of our patent protection and, more generally, affect the value or narrow the scope of our patent rights.

Publications of discoveries in the 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, or, in some cases, are not published at all. Therefore, neither we nor our licensors can know with certainty whether either we or our licensors were the first to make the inventions claimed in the patents and patent applications we own or in-license now or in the future, or that either we or our licensors were the first to file for patent protection of such inventions. As a result, the issuance, scope, validity, enforceability and commercial value of our owned and in-licensed patent rights are uncertain. In addition, the scope of patent protection outside the United States is uncertain, and laws of foreign countries might not protect our rights to the same extent as the laws of the United States or vice versa.

Additionally, the coverage claimed in a patent application can be significantly reduced before the patent is issued, and its scope can be reinterpreted after issuance. Even if our patent applications issue as patents, they might not issue in a form that will provide us with any competitive advantage. The issuance of a patent is not conclusive as to its inventorship, scope, validity or enforceability, and our patents might be challenged in a variety of proceedings before courts or patent offices in the United States and abroad. Such challenges might result in loss of exclusivity or in patent claims being narrowed, invalidated or held unenforceable, which could reduce the scope of, or invalidate, our patent rights, allow third parties to commercialize our technology without payment to us, and/or limit the duration of the patent protection of our technology and product candidates. If the breadth or strength of our patents and patent applications is threatened, regardless of the outcome, it could dissuade companies from collaborating with us to license, develop or commercialize current or future product candidates.

For these reasons, our patent portfolio might not provide us with sufficient rights to exclude others from using or commercializing technology and products similar or identical to our technology and product candidates.

Obtaining and maintaining patent protection depends on compliance with various procedural requirements imposed by governmental patent agencies, and our patent protection could be reduced or eliminated for non-compliance with these requirements.

The United States Patent and Trademark Office ("USPTO") and foreign patent offices have a number of procedural and documentary requirements that must be complied with during the patent application and prosecution process. Periodic fees must be paid to the USPTO and foreign patent offices at several stages or annually over the lifetime of issued patents and pending patent applications. In certain circumstances, we might rely on our licensing partners to meet procedural, documentary, and fee requirements of the relevant patent agency. With respect to our patents, we rely outside counsel to remind us of the due dates and to make payment after we instruct them to do so. While an inadvertent lapse can in many cases be cured, there are situations in which noncompliance 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. If we or our licensors fail to maintain current and future patents and patent applications covering our product candidates, our competitors might be able to enter the market with similar or identical products or technology, which would have a material adverse effect on our business, financial condition, results of operations, and prospects.

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

Filing, prosecuting, and defending patents on product candidates in all countries throughout the world would be prohibitively expensive. In addition, the laws of some foreign countries do not protect intellectual property rights to the same extent as federal and state laws in the United States, and even where such protection is available, adequate judicial and governmental enforcement of such intellectual property rights may be lacking. Consequently, third parties may attempt to develop and/or commercialize competitive products in foreign countries where we do not have any patent protection and/or where legal recourse may be limited. Further, we may not be able to prevent third parties from importing products made using our inventions into the United States or other jurisdictions. This may have a significant commercial impact on our business operations.

Proceedings to enforce our intellectual property rights in foreign jurisdictions could result in substantial costs and divert our efforts and attention from other aspects of our business, could put our patents at risk of being invalidated or interpreted narrowly, could put our patent applications at risk of not issuing, and could provoke third parties to assert claims against us. We may not prevail in any lawsuits that we initiate, and even if we do prevail, the damages or other remedies awarded, if any, may not be commercially meaningful. Accordingly, our efforts to enforce our 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 license.

Many countries, including India, China and certain countries in Europe, 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 such 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 may be impaired and our business, financial condition, results of operations, and prospects may be adversely affected.

Changes to patent laws in the United States and other jurisdictions could diminish the value of our patents, thereby impairing our ability to protect our products.

Changes in either the patent laws or interpretation of patent laws in the United States or other jurisdictions could increase the uncertainties and costs surrounding the prosecution of our patent applications and the maintenance, enforcement or defense of our issued patents, all of which could have a material adverse effect on our business. For example, in 2023, patent reform in the EU created a unitary patent and established a Unified Patent Court ("UPC"). The unitary patent facilitates validation of a patent granted by the European Patent Office in the EU member states that participate in the unitary patent. The UPC is a centralized body with jurisdiction over actions for preliminary injunctions, infringement, and revocation of patents granted by the European Patent Office. While the UPC has exclusive jurisdiction over unitary patents, patentees that do not utilize the unitary patent for validation can opt existing or future patents out of the jurisdiction of the UPC. There are both risks and benefits associated with pursuing Unitary Patents and with submitting to the jurisdiction of the UPC in the absence of a Unitary Patent. For example, because the UPC is a relatively new forum, little precedent exists, and the manner in which European patent law will be applied by the UPC is unpredictable, which presents potential risks to a patent's scope and enforceability. In addition, an unfavorable outcome before the UPC could result in a European patent being invalidated in all participating member states. In comparison, European patents that are not under the jurisdiction of the UPC must be litigated separately in each member state, which causes patent challengers to incur additional costs and leaves open the possibility that a challenged patent could be affirmed in some member states, even if it is invalidated in others. From an enforcement perspective, the ability to assert patents against infringers under the UPC system could have significant financial benefits for a patentee, due to the ability to litigate in a single forum, rather than in each individual member state.

Currently, we do not have any unitary patents and we have opted out of UPC jurisdiction for our existing European patents. While we have and will continue to make case-by-case decisions about whether to pursue unitary patents or to elect the jurisdiction of the UPC, we cannot be certain that a more favorable outcome could be achieved if the opposite decision were made. We also cannot be certain whether the legal precedent of the UPC will evolve in a manner that is more or less favorable to us than the precedent of individual member states in a given situation or for a given patent.

In addition to legislative changes, 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 increased uncertainty with respect to the validity and enforceability of patents once obtained. Similarly, foreign courts have made, and will likely continue to make, changes in how the patent laws in their respective jurisdictions are interpreted. Further, political changes in government leadership both within and outside of the U.S. could result in changes to national patent laws and regulations or multi-country intellectual property treaties, which could impact patent enforcement in the U.S. and internationally. We cannot predict future changes in the interpretation of patent laws or changes to patent laws that might be enacted into law by U.S. and foreign legislative bodies. Those changes may materially affect our patents or patent applications and our ability to obtain additional patent protection in the future.

If we are unable to obtain licenses from third parties on commercially reasonable terms, our business could be harmed.

In addition to our existing licensing agreements, it may be necessary for us to use the patented or proprietary technology of third parties to commercialize our products, if approved, in which case we would be required to obtain a license from these third parties. The in-licensing and acquisition of third-party intellectual property rights is a competitive area, and a number of more established companies are also pursuing strategies to in-license or acquire third-party intellectual property rights that we may consider attractive or necessary. These established companies may have a competitive advantage over us due to their size, cash resources and greater clinical development and commercialization capabilities. Furthermore, companies that perceive us to be a competitor may be unwilling to assign or license rights to us. These factors might mean fewer suitable licensing opportunities for us, as well as higher acquisition or licensing costs.

If we are unable to obtain a necessary license, the third parties owning such intellectual property rights could seek an injunction prohibiting our development and/or commercialization of the affected product candidates. Even if we are able to obtain a license, the terms may be unfavorable; for example, it may require substantial licensing or royalty payments, or be non-exclusive, thereby giving our competitors access to the same technologies licensed to us.

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

If we fail to comply with our obligations in our intellectual property licenses with third parties, or otherwise experience disruptions to our business relationships with our licensors, we could lose intellectual property rights that are important to our business.

We are party to license agreements that impose upon us certain obligations, and we may enter into additional licensing and funding arrangements with third parties that may impose, among other things, diligence, development, and commercialization timelines, milestone and royalty payments, and insurance. If we fail to comply with such obligations under current or future license and funding agreements, our counterparties may have the right to terminate these agreements, in which event we might be forced to cease developing, manufacturing or marketing any product that is covered by these agreements or may face other penalties under such agreements, or our counterparties may require us to grant them certain rights. Such an occurrence could materially adversely affect the value of any product candidate being developed under any such agreement.

Termination or reduction or elimination of our rights under these agreements, or restrictions on our ability to freely assign or sublicense our rights under such agreements may result in our loss of rights or our having to negotiate new or reinstated agreements with less favorable terms, which would impede, delay or prohibit the further development or commercialization of any product candidates that rely on such agreements.

Disputes may arise regarding intellectual property that is or becomes subject to a licensing agreement, including:

- the scope of rights granted under the license agreement and other matters of contract interpretation;

- whether and the extent to which our technology and processes infringe the intellectual property rights of the licensor that are not subject to the licensing agreement;
- whether our licensor or its licensor had the right to grant the license agreement;
- whether third parties are entitled to compensation or equitable relief, such as an injunction, for our use of the intellectual property rights without their authorization;
- our involvement in the prosecution of licensed patents and our licensors' overall patent enforcement strategy;
- the amounts of royalties, milestones or other payments due under the license agreement;
- the sublicensing of patent and other rights under collaborative development relationships;
- our diligence obligations under the license agreement and what activities satisfy those diligence obligations;
- the inventorship and ownership of inventions and know-how resulting from the joint creation or use of intellectual property by our licensors and us and our partners; and
- the priority of invention of patented technology.

The resolution of any contract disagreement that may arise could narrow the scope of our rights to the relevant intellectual property or technology, could increase our financial or other obligations under the relevant agreement, or could result in loss of some or all rights under the license agreement. 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 technology and product candidates. Any of these outcomes could have a material adverse effect on our business, financial condition, results of operations and prospects.

Despite our efforts, our licensors or future licensors might conclude that we have materially breached our license agreements and might therefore terminate the license agreements, thereby removing our ability to develop and commercialize product candidates and technology covered by these license agreements. If these in-licenses are terminated, or if the underlying intellectual property fails to provide the intended exclusivity, competitors could seek regulatory approval for and market products and technologies identical to ours. This could have a material adverse effect on our competitive position, business, financial condition, results of operations and prospects.

Patent terms may not protect our competitive position for an adequate amount of time.

Patents have a limited lifespan. In the United States, if all maintenance fees are timely paid, the natural expiration of a patent is generally 20 years from its earliest U.S. non-provisional filing date. Various extensions may be available, but the life of a patent, and the protection it affords, is limited. 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. Given the amount of time required for the development, testing and regulatory review of new product candidates, patents protecting such candidates might expire before or shortly after such candidates are approved for use or commercialized. As a result, our patent portfolio may not provide us with sufficient rights to exclude others from commercializing products similar or identical to ours during periods when commercial exclusivity would be valuable to us.

If we do not obtain a patent term extension for any product candidates we might develop, our business might be materially harmed.

In the United States, the term of a patent that covers an FDA-approved drug may be eligible for a patent term extension ("PTE") of up to five years beyond the expiration date of the patent, as compensation for the patent term lost during the FDA regulatory review process. The Drug Price Competition and Patent Term Restoration Act of 1984, also known as the Hatch-Waxman Act, permits a PTE of up to five years beyond the expiration date of the patent. The length of the PTE is related to the length of time the drug is under regulatory review, and cannot extend the remaining term of a patent beyond a total of 14 years from the date of product approval. The patent term of only one patent applicable to an approved drug may be extended, and only those claims covering the approved drug, a method for using it or a method for manufacturing it may be extended. Similar provisions are available in Europe and certain other jurisdictions. While we expect to apply for PTE on patents covering our product candidates, there is no guarantee that such extensions will be granted and, even if granted, the length of such extensions. We may not be granted PTE either in the United States or in any foreign country, even where that patent is eligible for PTE, if, for example, we fail to exercise due diligence during the testing phase or regulatory review process, fail to apply within

applicable deadlines, fail to apply prior to expiration of relevant patents or otherwise fail to satisfy applicable requirements. Furthermore, for licensed patents, we might not be able to control whether a petition to obtain a PTE is filed or obtained from the USPTO and/or foreign patent office(s). If we are unable to obtain any PTE, or if the term of extension is less than we request, our business, financial condition, results of operations and prospects could be materially harmed.

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

In addition to seeking patents for some of our technology and product candidates, we seek to protect our trade secrets and other proprietary technology, in part, by entering into non-disclosure and confidentiality agreements with parties who have access to them, such as our employees, corporate collaborators, outside scientific collaborators, contract research organizations, contract manufacturers, consultants, advisors and other third parties. Despite these efforts, any of these parties may breach the agreements and disclose our proprietary information, and we may not be able to obtain adequate remedies. Detecting the disclosure or misappropriation of a trade secret and enforcing a claim that a party illegally disclosed or misappropriated a trade secret is difficult, expensive and time-consuming, and the outcome is unpredictable. Further, we cannot guarantee that we have entered into confidentiality agreements with each party that may have or has had access to our trade secrets or proprietary technology.

Over time, our trade secrets, know-how and proprietary information may be disseminated within the industry through independent development, the publication of journal articles and the movement of personnel to and from academic and industry scientific positions. Consequently, we may be unable to prevent others from exploiting that technology, which could affect our ability to expand in domestic and international markets. If any of our trade secrets were to be disclosed to or independently developed by a competitor or other third-party, our competitive position would be materially and adversely harmed.

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

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

We might be unable to successfully register our trademarks and trade names, and/or to establish name recognition based on our trademarks and trade names, which could result in substantial costs and diversion of resources, and could adversely impact our ability to compete effectively. In addition, 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 them. At times, competitors may adopt trademarks or trade names similar to ours, impeding our ability to build brand identity, and possibly leading to market confusion. In addition, we could be subject to trademark or trade name infringement claims brought by owners of other registered trademarks or trade names.

We may become involved in lawsuits to protect or enforce our patent or other intellectual property rights, which could be expensive, time-consuming and unsuccessful.

Competitors and other third parties may infringe, misappropriate or otherwise violate our patents or other intellectual property. As a result, we or our licensors may need to file infringement, misappropriation or other intellectual property claims, which can be expensive and time-consuming. Any claims we assert against others could provoke them to assert counterclaims against us alleging that we infringe, misappropriate or otherwise violate their intellectual property rights.

In a patent infringement proceeding, the perceived infringers could counterclaim that the patents we or our licensors have asserted are invalid or unenforceable. In patent litigation in the United States, defendant counterclaims alleging invalidity or unenforceability are common. Grounds for a validity challenge could be an alleged failure to meet any of several statutory requirements, including lack of novelty, obviousness, or non-enablement. Grounds for an unenforceability assertion include an allegation that someone connected with prosecution of the patent withheld relevant information from the USPTO, or made a misleading statement, during prosecution. Third parties may institute such claims before administrative bodies in the United States or abroad, even outside the context of litigation. Such mechanisms include re-examination, post-grant review, inter partes review, interference proceedings,

derivation proceedings and equivalent proceedings in foreign jurisdictions, such as opposition proceedings in the European Patent Office. The outcomes of allegations of invalidity or unenforceability are unpredictable. With respect to validity, for example, we cannot be certain that there is no invalidating prior art of which the patent examiner and we or our licensing partners were unaware during prosecution.

An adverse result in any such proceeding could put our patents at risk of being invalidated or interpreted narrowly and could put our patent applications at risk of not yielding an issued patent. A court may also refuse to enjoin a third-party from using the technology at issue, for example, on the basis that patents do not cover that technology. Furthermore, if the breadth or strength of protection provided by our current or future patents and patent applications is threatened, regardless of the outcome, it could dissuade companies from collaborating with us to license, develop or commercialize current or future products or services. In addition, the uncertainties associated with litigation could have a material adverse effect on our ability to raise the funds necessary to continue our research programs and clinical trials.

Interference or derivation proceedings provoked by third parties or brought by us or declared by the USPTO might be necessary to determine the priority of inventions with respect to our patents or patent applications. An unfavorable outcome could require us to cease using the related technology or to attempt to license rights to it from the prevailing party. Our business could be harmed if the prevailing party does not offer us a license on commercially reasonable terms or at all, or if a non-exclusive license is offered and our competitors gain access to the same technology. Our defense of interference or derivation proceedings might fail and, even if successful, might result in substantial costs.

Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation and other proceedings, there is a risk that some of our confidential information or trade secrets could be disclosed during litigation. This could allow third parties to develop and commercialize competing technologies and products, and have a material adverse impact on our business, financial condition, results of operations and prospects.

We may be subject to claims challenging the inventorship or ownership 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 patents, trade secrets or other intellectual property. For example, we may have inventorship or ownership disputes that 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 ownership of our patents, trade secrets or other intellectual property. If we or our licensors or collaborators fail in defending any such claims, we may be required to pay monetary damages and we may also 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. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations and prospects.

Third parties may allege that we are violating their intellectual property rights, the outcome of which would be uncertain and could have a material adverse effect on our business.

Numerous U.S. and foreign issued patents and pending patent applications that are owned by third parties exist in the fields in which we are pursuing development candidates. We may not be aware of all such intellectual property rights potentially relating to our technology and product candidates, or we may incorrectly conclude that third-party intellectual property is invalid or that our activities and product candidates do not infringe the intellectual property rights of third parties. Thus, we do not know with certainty that our technology and product candidates, or our development and commercialization thereof, do not and will not infringe, misappropriate or otherwise violate any third-party's intellectual property rights.

Competitors may also assert that our product candidates infringe their intellectual property rights as part of a business strategy to impede our successful entry into those markets. Adversarial proceedings might also be initiated by patent holding companies or other adverse patent owners who have no relevant product or service revenue, and against whom our own patents might provide little or no deterrence or protection. The legal threshold for initiating litigation or contested proceedings is low, so that even lawsuits or proceedings with a low probability of success

might be initiated and require significant resources and management attention to defend. The risks of being involved in such litigation and proceedings may increase if and as our product candidates near commercialization and as we gain greater visibility as a public company.

A court could hold that third-party patents are valid, enforceable and infringed by our product candidates or activities. To successfully challenge the validity of a U.S. patent in federal court, we would need to overcome a presumption of validity, which is a high burden that requires clear and convincing evidence of invalidity. There is no assurance that a court would invalidate the claims of any such U.S. patent.

Parties making claims against us may obtain injunctive or other equitable relief that could block our ability to commercialize our product candidates. In the event of a successful claim of infringement against us, we may have to pay substantial damages, including treble damages and attorneys' fees for willful infringement, indemnify customers, collaborators or other third parties; seek new regulatory approvals; and/or redesign our infringing products, which may not be possible or practical. In addition, if we are found to infringe, misappropriate or otherwise violate a third-party's intellectual property rights, we may be required to obtain a license to continue developing, manufacturing and marketing our technology and product candidates. However, we may not be able to obtain any required license on commercially reasonable terms or at all. Even if we were able to obtain a license, it could be non-exclusive, thereby giving our competitors and other third parties access to the same technologies licensed to us. Further, a license could require us to make substantial licensing and royalty payments.

We may be subject to claims by third parties asserting that our employees, consultants or contractors have wrongfully used or disclosed confidential information or trade secrets of such third parties, that we have misappropriated their intellectual property, or that they own what we regard as our own intellectual property.

Many of our employees, consultants and contractors were previously employed or engaged by universities or other pharmaceutical or biotechnology companies. Many of them executed proprietary rights, non-disclosure and/or non-competition agreements in connection with such previous employment or engagement. Although we try to ensure that the individuals who work for us do not use the intellectual property rights, proprietary information, know-how or trade secrets of others in their work for us, we may be subject to claims that we or they have obtained, used, infringed, misappropriated, disclosed or otherwise violated the intellectual property rights of third parties. Any resulting litigation or the threat of litigation may adversely affect our ability to hire employees or engage consultants and contractors. A loss of key personnel or their work product could hamper or prevent us from developing and commercializing products and product candidates, which could harm our business.

In addition, while it is our policy to require our employees, consultants and contractors who may be involved in the development of intellectual property to execute agreements assigning such intellectual property to us, we may be unsuccessful in obtaining such an agreement from each party who in fact develops intellectual property that we regard as our own. Our intellectual property assignment agreements with them may not be self-executing or may be breached, and we may be forced to bring claims against third parties, or defend claims 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.

If we fail in prosecuting or defending any such claims, we may be required to pay monetary damages, and we may also lose valuable intellectual property rights or personnel, which could have a material adverse effect on our competitive position and prospects.

Intellectual property litigation or other legal proceedings relating to intellectual property could cost substantial resources.

Even if resolved in our favor, litigation or other legal proceedings relating to intellectual property claims may cause us to incur significant expenses and could distract our technical and management personnel from their normal responsibilities. In addition, there could be public announcements involving such proceedings, and if securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of our common stock. Such proceedings could substantially increase our operating losses and reduce the resources available for development activities or any future sales, marketing, or distribution activities. We may not have sufficient resources to conduct such litigation or proceedings adequately. Uncertainties resulting from the initiation and continuation of intellectual property litigation or other proceedings could compromise our ability to compete in the marketplace.

Intellectual property rights do not necessarily address all potential threats.

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

- we or our license partners or current or future collaborators might not have been the first to file patent applications covering our or their inventions;
- others may independently develop similar or alternative technologies or duplicate any of our technologies without infringing our intellectual property rights;
- it is possible that our pending or future patent applications will not lead to issued patents;
- issued patents that we hold rights to may be held invalid or unenforceable;
- our competitors or other third parties might conduct research and development activities in countries where we do not have patent rights and then use the information learned from such activities to develop competitive products for sale in our major commercial markets;
- we cannot ensure that any of our pending patent applications, if issued, will include claims having a scope sufficient to protect our product candidates;
- we cannot ensure that any patents issued to us will provide a basis for an exclusive market for our commercially viable product candidates or will provide us with any competitive advantages;
- we cannot ensure that our commercial activities or product candidates will not infringe upon the patents of others;
- we cannot ensure that we will be able to successfully commercialize our product candidates on a substantial scale, if approved, before the relevant patents that we own or license expire;
- we may not develop additional proprietary technologies that are patentable;
- the patents of others may harm our business; and
- we may choose not to seek patent protection in order to maintain certain trade secrets or know-how, and a third-party may subsequently file a patent covering such intellectual property.

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

Risks Related to Our Employees, Managing Our Growth and Our Operations

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

We are highly dependent on the expertise of the principal members of our management, scientific, and clinical teams. Our scientific and clinical development personnel have extensive experience developing and implementing novel clinical trial designs and successfully conducting clinical trials in never-before treated patient populations. If we lose one or more of our executive officers or key employees, our ability to execute our programs and implement our business strategy successfully could be seriously harmed. Furthermore, replacing executive officers and key employees may be difficult and may take an extended period of time because of the limited number of individuals in our industry with the breadth of skills and experience required to develop, gain regulatory approval of and commercialize product candidates successfully.

Competition to hire from this limited pool is intense, and we may be unable to hire, train, retain or motivate these additional key personnel on acceptable terms given the competition among numerous biotechnology and pharmaceutical companies for similar personnel. We may also experience competition for the hiring of scientific and clinical personnel from universities and research institutions.

Many of our employees were previously employed by Alexion Pharmaceuticals, Inc. (now part of AstraZeneca), a potential competitor. To the extent we employ or engage personnel from competitors, we may be subject to allegations that such individuals have been improperly solicited or have divulged proprietary or other confidential information, or that their former employers own their research output.

In addition, we rely on consultants and advisors, including scientific and clinical advisors, to assist us in formulating our research and development and commercialization strategy. Our consultants and advisors may be employed by

employers other than us and may have commitments under consulting or advisory contracts with other entities that may limit their availability to us. If we are unable to continue to attract and retain high quality personnel, our ability to pursue our growth strategy will be limited.

If employees seek alternate employment, we may have to increase reliance on external support to advance our operations. Any workforce reductions could also harm our ability to attract and retain qualified management, scientific, clinical, and manufacturing personnel who are critical to our business. Any failure to attract or retain qualified personnel could prevent us from successfully developing our product candidates in the future.

Our business and operations would suffer in the event of system failures.

Despite the implementation of security measures, our computer systems, as well as those of our CROs and other contractors and consultants, are vulnerable to damage from computer viruses, unauthorized access, natural and manmade disasters (including hurricanes), terrorism, war, and telecommunication and electrical failures. While we do not believe that we have experienced any system failure or accident to date, if such an event were to occur and cause interruptions in our or their operations, it could result in delays and/or material disruptions of our research and development programs. For example, the loss of preclinical or clinical trial data from completed, ongoing, or planned trials, or the loss of other proprietary data, could result in delays in our regulatory approval efforts and significantly increase our costs to recover or reproduce the data. We are aware that a third party accessed the computer systems of one of our contractors and while we believe that such access did not result in loss of our proprietary data or disrupt our operations, we or our contractors may be subject to attacks in the future that could harm our business. Likewise, we currently rely on third parties for the manufacture of our product candidates and to conduct clinical trials, and similar events relating to their computer systems could also have a material adverse effect on our business. To the extent that any disruption were to result in a loss of or damage to our data or applications, or inappropriate disclosure of personal, confidential or proprietary information, we could incur liability, and the development of our product candidates could be delayed.

Our proprietary or confidential information may be lost, or we may suffer security breaches.

The U.S. federal and various state and foreign governments have enacted or proposed requirements regarding the collection, distribution, use, security and storage of personally identifiable information and other data relating to individuals. In the ordinary course of our business, we and third parties with which we have relationships will continue to collect and store sensitive data, including clinical trial data, proprietary business information, personal data and personally identifiable information of our clinical trial subjects and employees, in data centers and on networks. The secure processing, maintenance and transmission of this information is critical to our operations. Despite our and our collaborators' security measures, our information technology and infrastructure may be vulnerable to attacks by hackers or internal bad actors, breaches due to employee error, technical vulnerabilities, malfeasance, or other disruptions.

Several proposed and enacted federal, state and international laws and regulations obligate companies to notify individuals of security breaches involving personally identifiable information, which could result from breaches experienced by us or by third parties, including collaborators, vendors, contractors, or other organizations with which we have formed strategic relationships. Although, to our knowledge, neither we nor any such third parties have experienced any material security breach, and even though we may have contractual protections with such third parties, any such breach could compromise our or their networks and the information stored therein could be accessed, publicly disclosed, lost or stolen. Any such access, disclosure, notifications, follow-up actions related to such a security breach or other loss of information could result in legal claims or proceedings, liability under laws that protect the privacy of personal information, and significant costs, including regulatory penalties, fines, and legal expenses, and such an event could disrupt our operations, cause us to incur remediation costs, damage our reputation, and cause a loss of confidence in us and our or such third parties' ability to conduct clinical trials, which could adversely affect our reputation and delay the clinical development of our product candidates.

Risks Related to Our Common Stock

An active trading market for our common stock may not be sustained.

If a market for our common stock is not sustained, it may be difficult for you to sell your shares of common stock at an attractive price or at all. We cannot predict the prices at which our common stock will trade. It is possible that in

one or more future periods our results of operations may be below the expectations of public market analysts and investors, and, as a result of these and other factors, the price of our common stock may fall.

Our failure to meet the listing standards of the Nasdaq could result in the delisting of our common stock. Delisting could adversely affect the liquidity of our common stock and the market price of our common stock could decrease, and our ability to obtain sufficient additional capital to fund our operations and to continue to operate as a going concern would be substantially impaired.

On February 24, 2025, we received a deficiency notice (the "Notice"), from the Listing Qualifications Staff (the "Staff of Nasdaq"), notifying us that, for the prior 30 consecutive business days, the bid price of our common stock had closed below \$1.00 per share, thereby failing to satisfy the minimum closing bid price requirement set forth in the continued listing requirements of Nasdaq Listing Rule 5450(a)(1), (the "Bid Price Requirement"). The Notice had no immediate effect on the listing of our common stock on the Nasdaq Global Select Market. In accordance with Nasdaq Listing Rule 5810(c)(3)(A), we had 180 calendar days, or until August 25, 2025, (the "Compliance Date"), to regain compliance with the Bid Price Requirement by having shares of our common stock maintain a minimum closing bid price of at least \$1.00 per share for a minimum of 10 consecutive trading days before the Compliance Date.

As we had not regained compliance with the Bid Price Requirement by the Compliance Date, we filed an application to transfer the listing of our common stock from the Nasdaq Global Select Market to the Nasdaq Capital Market. On August 26, 2025, we received approval from the Staff of Nasdaq to transfer the listing of our common stock from the Nasdaq Global Select Market to the Nasdaq Capital Market, (the "Approval"). Our common stock was transferred to the Nasdaq Capital Market effective as of the opening of business on August 29, 2025 and has continued to trade under the symbol "RLYB." Nasdaq operates in substantially the same manner as the Nasdaq Global Select Market, and listed companies must meet certain financial requirements and comply with Nasdaq's corporate governance requirements. As a result of the Approval, we were granted an additional 180-day grace period, or until February 23, 2026, (the "Second Compliance Date"), to regain compliance with the Bid Price Requirement.

On January 26, 2026, our stockholders voted in favor of an amendment to our amended and restated certificate of incorporation to effect a reverse stock split of our issued and outstanding common stock at a ratio ranging from 1-for-5 shares up to 1-for-20 shares, which ratio would be selected by our board of directors. On January 26, 2026, our board of directors approved a 1-for-8 reverse stock split of our issued and outstanding common stock. On February 6, 2026, we effected a reverse stock split at a ratio of 1-for-8 shares. The primary goal of the reverse stock split was to increase the per share market price of our common stock to meet the Bid Price Requirement.

On February 24, 2026, we were notified by the Staff of Nasdaq that the closing bid price of our common stock had been \$1.00 per share or greater for at least 10 consecutive business days, from February 6, 2026 to February 23, 2026. Accordingly, we have regained compliance with the Bid Price Requirement.

Although we regained compliance with the Bid Price Requirement following the reverse stock split, there can be no assurance that we will continue to meet the Bid Price Requirement, or any other Nasdaq continued listing requirements, in the future. If we fail to meet any of these requirements, including the Bid Price Requirement, Nasdaq may again notify us that we have failed to meet the minimum listing requirements and initiate the delisting process. If our common stock were delisted from Nasdaq, trading of our common stock could be conducted in the over-the-counter market or on an electronic bulletin board established for unlisted securities such as the Pink Sheets or the OTC Bulletin Board, but there can be no assurance that our common stock will be eligible for trading on such alternative exchange or market. Additionally, if our common stock were delisted from Nasdaq, the liquidity of our common stock would be adversely affected, the market price of our common stock could decrease, our ability to obtain sufficient additional capital to fund our operations and to continue to operate as a going concern would be substantially impaired and transactions in our common stock could lose federal preemption of state securities laws. Furthermore, there could also be a further reduction in our coverage by securities analysts and the news media and broker-dealers may be deterred from making a market in or otherwise seeking or generating interest in our common stock, which could cause the price of our common stock to decline further. Moreover, delisting may also negatively affect our collaborators', vendors', suppliers' and employees' confidence in us and employee morale.

The market price of our common stock may be volatile, which could result in substantial losses for investors.

Shares of our common stock were offered in our IPO in July 2021 at a price of \$104.00 per share and between the date of our IPO and March 6, 2026, the closing price per share of our common stock has ranged from as low as \$2.00 to as high as \$187.20. Some of the factors that may cause the market price of our common stock to fluctuate include:

- the success of existing or new competitive product candidates or technologies;
- the timing and results of preclinical studies for any product candidates that we may develop;
- failure or discontinuation of any of our product development and research programs;
- results of preclinical studies, clinical trials, or regulatory approvals of product candidates of our competitors, or announcements about new research programs or product candidates of our competitors;
- commencement or termination of collaborations for our product development and research programs;
- regulatory or legal developments in the United States and other countries;
- developments or disputes concerning patent applications, issued patents, or other proprietary rights;
- the recruitment or departure of key personnel;
- the level of expenses related to any of our research programs or product candidates that we may develop;
- the results of our efforts to develop additional product candidates or products;
- actual or anticipated changes in estimates as to financial results, development timelines, or recommendations by securities analysts;
- announcement or expectation of additional financing efforts;
- sales of our common stock by us, our insiders or other stockholders;
- expiration of market stand-off or lock-up agreement;
- effects of public health crises, pandemics and epidemics;
- variations in our financial results or those of companies that are perceived to be similar to us;
- changes in estimates or recommendations by securities analysts, if any, that cover our stock;
- changes in the structure of healthcare payment systems;
- market conditions in the pharmaceutical and biotechnology sectors;
- general economic, industry, and market conditions; and
- the other factors described in this “Risk Factors” section and elsewhere in this proxy statement/prospectus.

In recent years, the stock market in general, and the market for pharmaceutical and biotechnology companies in particular, has experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to changes in the operating performance of the companies whose stock is experiencing those price and volume fluctuations. Broad market and industry factors may seriously affect the market price of our common stock, regardless of our actual operating performance. Following periods of such volatility in the market price of a company's securities, securities class action litigation has often been brought against that company. Because of the potential volatility of our stock price, we may become the target of securities litigation in the future.

If securities analysts stop publishing research or reports about our business or if they publish negative evaluations of our stock, the price of our stock could decline.

The trading market for our common stock is influenced in part on the research and reports that industry or financial analysts publish about us or our business. If one or more of these analysts ceases coverage of our company or fails to publish reports on us regularly, we could lose visibility in the financial markets, which in turn could cause our stock price or trading volume to decline. Moreover, if one or more of the analysts covering our business downgrade their evaluations of our stock, the price of our stock could decline.

A significant portion of our total outstanding shares may be sold into the market, which could cause the market price of our common stock to decline significantly, even if our business is doing well.

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. As of March 6, 2026, we have 5,289,675 shares of

common stock outstanding. All of these shares may be resold in the public market immediately, unless held by our affiliates who are subject to volume limitations under Rule 144. As of March 6, 2026, we also have pre-funded warrants to purchase up to an aggregate of 416,673 shares of common stock outstanding. We may not effect the exercise of any pre-funded warrant, and a holder will not be entitled to exercise any portion of any pre-funded warrant if, upon giving effect to such exercise, the aggregate number of shares of common stock beneficially owned by the holder (together with its affiliates) would exceed 9.99% of the number of shares of common stock outstanding immediately after giving effect to the exercise, which percentage may be increased or decreased at the holder's election upon 61 days' notice to us subject to the terms of such pre-funded warrants, provided that such percentage may in no event exceed 19.99%.

Moreover, as of December 31, 2025, 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. On May 9, 2023, we registered an aggregate of 1,543,950 shares of common stock held by holders with registration rights, for resale, pursuant to a registration statement on Form S-3. In addition, we have entered into the Sales Agreement with TD Cowen to offer and sell shares of our common stock having an aggregate offering price of up to \$100,000,000, from time to time, through an at-the-market offering program. We also registered an aggregate of 1,737,094 shares of common stock that we may issue under our equity compensation plans or that are issuable upon exercise of outstanding options. These shares 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.

Insiders have substantial influence over us, which could limit your ability to affect the outcome of key transactions, including a change of control.

Our directors and executive officers and their affiliates beneficially own shares representing approximately 25% of our outstanding common stock as of March 6, 2026. As a result, these stockholders, if they act together, will be able to influence our management and affairs and all matters requiring stockholder approval, including the election of directors and approval of significant corporate transactions. The interests of these holders may not always coincide with our corporate interests or the interests of other stockholders, and they may act in a manner with which you may not agree or that may not be in the best interests of our other stockholders. This concentration of ownership may have the effect of delaying or preventing a change in control of our company and might affect the market price of our common stock.

We could be subject to securities class action litigation.

In the past, securities class action litigation has often been brought against companies following a decline in the market price of their securities. This risk is especially relevant for us because biotechnology and pharmaceutical companies have experienced significant share price volatility in recent years. Because of the potential volatility of our stock price, we may become the target of securities litigation in the future. Securities litigation could result in substantial costs and divert management's attention and resources from our business.

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

We have never declared or paid any cash dividends on our common stock. We currently anticipate that we will retain future earnings for the development, operation and expansion of our business and do not anticipate declaring or paying any cash dividends in the foreseeable future. As a result, capital appreciation, if any, of our common stock will be your sole source of gain on an investment in our common stock in the foreseeable future.

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

We are an "emerging growth company," as defined in the JOBS Act and we may remain an emerging growth company (an "EGC") until December 31, 2026. For so long as we remain an emerging growth company, we are permitted and plan to rely on exemptions from certain disclosure requirements that are applicable to other public companies that are not emerging growth companies. These exemptions include not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act of 2002 ("SOX Section 404"), not being required to comply with any requirement that may be adopted by the Public Company Accounting Oversight Board regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information

about the audit and the financial statements, reduced disclosure obligations regarding executive compensation, and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved. As a result, the information we provide stockholders will be different than the information that is available with respect to other public companies. We cannot predict whether investors will find our common stock less attractive if we rely on these exemptions. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock, and our stock price may be more volatile.

In addition, the JOBS Act provides that an EGC can take advantage of an extended transition period for complying with new or revised accounting standards. This allows an EGC to delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have elected not to "opt out" of such extended transition period, which means that when a standard is issued or revised and it has different application dates for public or private companies, we will adopt the new or revised standard at the time private companies adopt the new or revised standard and will do so until such time that we either (i) irrevocably elect to "opt out" of such extended transition period, or (ii) no longer qualify as an emerging growth company. Therefore, the reported results of operations contained in our financial statements may not be directly comparable to those of other public companies.

Provisions in our amended and restated certificate of incorporation, our amended and restated 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.

Our amended and restated certificate of incorporation and amended and restated 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 amended and restated certificate of incorporation 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;
- 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;
- provide that vacancies on our board of directors may be filled only by a majority of directors then in office, even though less than a quorum;
- provide that our directors may be removed only for cause;
- specify that no stockholder is permitted to cumulate votes at any election of directors;
- expressly authorize our board of directors to modify, alter or repeal our amended and restated bylaws; and
- require supermajority votes of the holders of our common stock to amend specified provisions of our amended and restated certificate of incorporation and amended and restated 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 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 DGCL which prohibits a person who owns in excess of 15% of our outstanding voting stock from merging or combining with us for a period of three years after the date of the transaction in which the person acquired in excess of 15% of our outstanding voting stock, unless the merger or combination is approved in a prescribed manner.

Any provision of our amended and restated certificate of incorporation, amended and restated 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 our common stock.

Our amended and restated certificate of incorporation designates the state or federal courts within the State of Delaware as the exclusive forum for certain types of actions and proceedings that may be initiated by our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or employees.

Our amended and restated certificate of incorporation provides that, subject to limited exceptions, the state or federal courts (as appropriate) within the State of Delaware are exclusive forums for (1) any derivative action or proceeding brought on our behalf, (2) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers or other employees to us or our stockholders, (3) any action asserting a claim against us arising pursuant to any provision of the DGCL, our amended and restated certificate of incorporation or our amended and restated bylaws, (4) action against us or any of our directors or officers involving a claim or defense arising pursuant to the Exchange Act or the Securities Act, or (5) any other action asserting a claim against us that is governed by the internal affairs doctrine. Any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock shall be deemed to have notice of and to have consented to the provisions of our amended and restated certificate of incorporation described above. This exclusive forum provision does not apply to claims which are vested in the exclusive jurisdiction of a court or forum other than the Court of Chancery of the State of Delaware, or for which the Court of Chancery of the State of Delaware does not have subject matter jurisdiction. For instance, the provision does not apply to actions arising under federal securities laws, including suits brought to enforce any liability or duty created by the Exchange Act or the rules and regulations thereunder. This choice of forum provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other employees, which may discourage such lawsuits against us and our directors, officers and employees. Alternatively, if a court were to find these provisions of our amended and restated certificate of incorporation inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings, we may incur additional costs associated with resolving such matters in other jurisdictions, which could adversely affect our business and financial condition. In addition, while the Delaware Supreme Court ruled in March 2020 that federal forum selection provisions purporting to require claims under the Securities Act be brought in federal court are "facially valid" under Delaware law, there is uncertainty as to whether other courts will enforce our 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.

General Risks

A variety of risks associated with operating internationally could materially adversely affect our business.

Our business strategy includes potentially expanding internationally. Doing business internationally involves several risks, including, but not limited to:

- multiple, conflicting, and changing laws and regulations, such as privacy regulations, tax laws, export and import restrictions, economic sanctions laws and regulations, employment laws, regulatory requirements, and other governmental approvals, permits, and licenses;
- failure by us to obtain and maintain regulatory approvals for the use of our products in various countries;
- additional potentially relevant third-party patent rights;
- complexities and difficulties in obtaining protection and enforcing our intellectual property;
- 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 and 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, boycotts, tariffs, 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 maintaining accurate information and control over sales and activities that may fall within the purview of the FCPA its books and records provisions, or its anti-bribery provisions, as well as other applicable laws and regulations prohibiting bribery and corruption.

Any of these factors could significantly harm any future international expansion and operations and, consequently, our results of operations.

U.S. federal income tax reform could adversely affect our business and financial condition.

The rules dealing with U.S. federal, state, and local income taxation are constantly under review through the legislative process and by the IRS and the U.S. Treasury Department. Changes to tax laws (which changes may have retroactive application) could adversely affect us or holders of our common stock. In recent years, many such changes have been made and changes are likely to continue to occur in the future. For example, the Tax Cuts and Jobs Act, (the "TCJA"), was enacted in 2017 and significantly reformed the Code. The TCJA, among other things, contains significant changes to corporate and individual taxation, some of which could adversely impact an investment in our common stock. On March 27, 2020, President Trump signed into law the CARES Act, which included certain changes in tax law intended to stimulate the U.S. economy in light of the COVID-19 pandemic, including temporary beneficial changes to the treatment of NOLs, interest deductibility limitations and payroll tax matters. There also may be technical corrections legislation or other legislative changes proposed with respect to the TCJA and CARES Act, the effects of which cannot be predicted and may be adverse to us or our stockholders. Additionally, the IRA was enacted in August 2022.

Among other things, the IRA implemented a one percent (1%) excise tax on certain repurchases (including redemptions) of stock by publicly traded domestic corporations, and a corporate alternative minimum tax of fifteen percent (15%) on book income of certain large corporations. Future changes in tax laws could have a material adverse effect on our business, cash flows, financial condition or results of operations. In particular, proposed tax legislation could result in significant changes in, and uncertainty with respect to, tax legislation, regulation and government policy directly affecting our business or indirectly affecting us because of impacts on our customers and suppliers. 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.

H.R. 1., also known as the One Big Beautiful Bill Act (the "OBBA"), was enacted on July 4, 2025. The legislation includes several provisions that may impact the timing and magnitude of certain tax deductions. Key provisions include the permanent extension of several business tax benefits originally introduced under the TCJA.

Potential clinical trial or product liability lawsuits against us could cause us to incur substantial liabilities and, if we continue to progress the development of our product candidates, could limit commercialization of any products that we may develop.

If we continue to progress the development of our product candidates, the use of any product candidates we may develop in clinical trials and the sale of any products for which we obtain marketing approval exposes us to the risk of clinical trial and product liability claims. Clinical trial or product liability claims might be brought against us by patients, healthcare providers, pharmaceutical companies or others selling or otherwise coming into contact with our products. On occasion, large judgments have been awarded in class action lawsuits based on drugs that had unanticipated adverse effects. If we cannot successfully defend against product liability claims, we could incur substantial liability and costs. In addition, regardless of merit or eventual outcome, clinical trial or product liability claims may result in:

- impairment of our business reputation and significant negative media attention;
- withdrawal of participants from our clinical trials;

- significant costs to defend the litigation;
- distraction of management's attention from our primary business;
- substantial monetary awards to patients or other claimants;
- inability to commercialize a product candidate;
- product recalls, withdrawals or labeling, marketing or promotional restrictions;
- decreased market demand for any product; and
- loss of revenue.

The clinical trial and product liability insurance we currently carry, and any additional clinical trial and product liability insurance coverage we acquire in the future, may not be sufficient to reimburse us for any expenses or losses we may suffer. Moreover, insurance coverage is becoming increasingly expensive and, in the future, we may not be able to maintain insurance coverage at a reasonable cost or in sufficient amounts to protect us against losses due to liability. If we obtain marketing approval for any product candidate, we intend to acquire insurance coverage to include the sale of commercial products; however, we may be unable to obtain product liability insurance on commercially reasonable terms or in adequate amounts. A successful clinical trial or product liability claim, or series of claims, brought against us could cause our share price to decline and, if judgments exceed our insurance coverage, could adversely affect our results of operation and business, including preventing or limiting the commercialization of any product candidates we develop.

Unfavorable global economic conditions and geopolitical instability could adversely affect our business, financial condition or results of operations.

Our results of operations could be adversely affected by general conditions in the global economy and in the global financial markets, including changes in tariffs and other trade restrictions. A severe or prolonged economic downturn, period of sustained increased inflation, tariffs and other trade restrictions or additional global financial crises, could result in a variety of risks to our business, including weakened demand for our product candidates, if approved, or our ability to raise additional capital when needed on acceptable terms, if at all. For example, the global financial crisis caused extreme volatility and disruptions in the capital and credit markets. Further, geopolitical instability outside the United States may also impact our operations or affect global markets, such as the invasion of Ukraine by Russia and the Israel-Hamas war. While we do not currently conduct clinical trials in Ukraine, Russia, or the Middle East, we cannot be certain what the overall impact of these events will be on our business or on the business of any of our third-party partners, including our contract research organizations, contract manufacturers or other partners. The impact of these events could also expand into other markets where we do business. A weak or declining economy could strain our suppliers, possibly resulting in supply disruption. Any of the foregoing could harm our business and we cannot anticipate all of the ways in which current geopolitical tensions, the economic climate and the financial market conditions could adversely impact our business.

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

As a public company, we have incurred, and particularly after we are no longer an "emerging growth company," we will incur significant legal, accounting, and other expenses that we did not incur as a private company. The Sarbanes-Oxley Act of 2002, the Dodd-Frank Wall Street Reform and Consumer Protection Act, the listing requirements of the Nasdaq Capital Market, and other applicable securities rules and regulations impose various requirements on public companies, including establishment and maintenance of effective disclosure and financial controls and corporate governance practices. We expect that we will need to hire additional accounting, finance, and other personnel in connection with our efforts to comply with the requirements of being a public company, and our management and other personnel will need to devote a substantial amount of time towards maintaining compliance with these requirements. These requirements will increase our legal and financial compliance costs and will make some activities more time-consuming and costly. We are currently evaluating these rules and regulations and cannot predict or estimate the amount of additional costs we may incur or the timing of such costs. These rules and regulations are often subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices.

Pursuant to SOX Section 404, we are required to furnish a report by our management on our internal control over financial reporting with our Annual Report on Form 10-K with the SEC. However, while we remain an emerging growth company, we will not be required to include an attestation report on internal control over financial reporting issued by our independent registered public accounting firm. To achieve compliance with SOX Section 404, we will need to continue to dedicate internal resources, potentially engage outside consultants, adopt a detailed work plan to assess and document the adequacy of internal control over financial reporting, continue steps to improve control processes as appropriate, validate through testing that controls are functioning as documented, and implement a continuous reporting and improvement process for internal control over financial reporting. Despite our efforts, there is a risk that we will not be able to conclude that our internal control over financial reporting is effective as required by SOX Section 404. If we identify one or more material weaknesses, it could result in an adverse reaction in the financial markets due to a loss of confidence in the reliability of our financial statements.

Risks Related to Candid

Risks Related to Candid's Limited Operating History, Financial Position and Need for Additional Capital

Candid has a limited operating history, has not completed any clinical trials and has no drugs approved for commercial sale, which may make it difficult for investors to evaluate Candid's current business and predict its future success and viability.

Candid is a clinical-stage biopharmaceutical company with a limited operating history. Candid was incorporated in May 2024 and its operations to date have been limited to organizing and staffing the company, business planning, raising capital, licensing key intellectual property rights, conducting research and development of its drug candidates with itself and with collaborators, scaling up drug candidate manufacturing, preparing for and conducting ongoing and planned preclinical studies and clinical trials, and providing general and administrative support for these operations.

Candid is developing four drug candidates, including cizutamig and CND261, which are in clinical development, and CND319 and CND460, which are in preclinical development, each with respect to autoimmune diseases. Candid has not yet demonstrated an ability to successfully complete any clinical trial, obtain regulatory approvals, manufacture drugs at a commercial scale, or arrange for a third party to do so on its behalf, or conduct sales and marketing activities necessary for successful drug commercialization. Consequently, this makes it difficult to evaluate the success of Candid's business to date and assess its future viability, and any predictions made about Candid's future success or viability may not be accurate.

Candid expects to incur significant losses for the foreseeable future and may never achieve or maintain profitability.

Investment in biopharmaceutical drug development is highly speculative because it entails substantial upfront capital expenditures and the significant risk that drug candidates will fail to demonstrate adequate efficacy and/or an acceptable safety profile, gain regulatory approval or become commercially viable. For the year ended December 31, 2025 and the period from May 1, 2024 (inception) to December 31, 2024, Candid's net loss was \$92.2 million and \$174.3 million, respectively. As of December 31, 2025, Candid had an accumulated deficit of \$266.5 million. Substantially all of Candid's operating losses have resulted from expenses incurred in connection with its research and development programs and from general and administrative costs associated with its operations.

Candid expects to continue to incur significant expenses and additional operating losses for the foreseeable future as it seeks to advance its current and any future drug candidates through preclinical and clinical development, expand its research and development activities, develop new drug candidates and advance any new drug candidates through preclinical and clinical development, complete clinical trials, seek regulatory approval and, if regulatory approval is received, commercialize its drug candidates. Furthermore, the costs of advancing drug candidates into each succeeding clinical phase tend to increase substantially over time. The total costs to advance any of Candid's drug candidates to regulatory approval in even a single jurisdiction would be substantial. Because of the numerous risks and uncertainties associated with drug development, Candid is unable to accurately predict the timing or amount of increased expenses or when, or if, it will be able to generate any revenue from the commercialization of any approved drugs or achieve or maintain profitability. Candid's expenses will also increase substantially as it operates as a public company following the Merger and adds clinical, scientific, operational, financial and management information systems and personnel, including personnel to support its drug development and planned future commercialization efforts.

Before Candid generates any revenue from drug sales, each of its drug candidates will require additional preclinical and/or clinical development, potential regulatory approval in multiple jurisdictions, manufacturing, building of a commercial organization, substantial investment and significant marketing efforts. Candid's expenses could increase beyond expectations if Candid is required by the FDA, the EMA, or comparable foreign regulatory authorities to perform preclinical studies and clinical trials in addition to those that Candid currently anticipates, and/or to modify any of its manufacturing processes or make other changes to its drug candidates or development programs. As a result, Candid expects to continue to incur net losses and negative cash flows for the foreseeable future. These net losses and negative cash flows have had, and will continue to have, an adverse effect on Candid's stockholders' equity and working capital.

As Candid continues to build its business, its financial condition and operating results may fluctuate significantly from quarter to quarter and year to year due to a variety of factors, many of which are beyond Candid's control. For example, as Candid enters into multiple Phase 2 studies for its lead drug candidate, cizutamig, Candid anticipates a significant increase in expenses relative to its historical expenses for preclinical and early stage clinical development activities. Accordingly, investors should not rely upon the results of any particular quarterly or annual period as indications of future operating performance. If Candid is unable to develop and commercialize one or more of its drug candidates either alone or with collaborators, or if revenues from any drug candidate that receives regulatory approval are insufficient, Candid will not achieve profitability. Even if Candid does achieve profitability, it may not be able to sustain or increase profitability. If Candid is unable to achieve and then maintain profitability, the value of its securities will be adversely affected.

Candid will need to obtain substantial additional funding to complete the development and any commercialization of its current and any future drug candidates, which may cause dilution to Candid's stockholders. If Candid is unable to raise this capital when needed, it may be forced to delay, reduce or eliminate its research and development programs or other operations.

The development of biopharmaceutical drug candidates is capital-intensive. Candid expects to spend substantial amounts to advance its drug candidates into clinical development and to complete the clinical development of, seek regulatory approvals for and commercialize its drug candidates, if approved. Candid's expenses are expected to increase substantially in connection with its ongoing and planned development activities, particularly as it conducts its planned Phase 2 studies of cizutamig. In addition, as Candid's drug candidates progress through development and toward commercialization, Candid will need to make milestone payments to the licensors from whom it has in-licensed its drug candidates. Candid will require additional capital beyond the proceeds of the Concurrent Financing, which it may raise through public or private equity or debt financings or other capital sources, which may include strategic collaborations and other strategic arrangements with third parties, to enable Candid to complete the development and potential commercialization of its drug candidates or any future new drug candidates. Furthermore, upon the Closing, Candid expects to incur additional costs associated with operating as a public company. Adequate additional financing may not be available to Candid on acceptable terms, or at all. Candid's failure to raise capital as and when needed would have a negative effect on its financial condition and its ability to pursue its business strategy. In addition, attempting to secure additional financing may divert the time and attention of Candid's management from day-to-day activities and harm its development efforts.

As of December 31, 2025, Candid's cash and cash equivalents and short-term investments were \$223.3 million. Based on Candid's planned use of the net proceeds of the Concurrent Financing, Rallybio Net Cash and its current cash and cash equivalents, Candid estimates that its funds will be sufficient to enable Candid to fund its operating expenses and capital expenditure requirements through 2030. In particular, Candid expects that the net proceeds from the Concurrent Financing, Rallybio Net Cash and its existing cash and cash equivalents will allow Candid to fund the advancement of its drug candidates through multiple clinical milestones, including the initiation and interim results of planned Phase 2 clinical studies for cizutamig in gMG and SARD-ILD, and Phase 1 clinical trials for CND261, CND319 and CND460. This estimate is based on assumptions that may prove to be wrong, and Candid could use its available capital resources sooner than currently expected. Changing circumstances could cause Candid to consume capital significantly faster than currently anticipated, and Candid may need to spend more than currently expected because of circumstances beyond its control. Further, data generated from Candid's Phase 1 clinical studies, investigator-initiated studies and/or compassionate use program for any of its drug candidates may inform future clinical development, resulting in a reprioritization of resources toward new clinical indications to pursue and the initiation of additional clinical studies in support of any new potential indications. Because the

length of time and activities associated with successful development of Candid's drug candidates are highly uncertain, Candid is unable to estimate the actual funds it will require for development and any marketing and commercialization activities.

Candid's future funding requirements, both near and long-term, will depend on many factors, including, but not limited to:

- the number, scope, rate of progress and costs of Candid's planned clinical trials for cizutamig, CND261, CND319 and CND460 and drug discovery and preclinical development activities for any future drug candidates;
- the number and scope of clinical programs Candid decides to pursue, including the number of indications it decides to pursue for a particular drug candidate;
- the scope and costs of manufacturing development for any of Candid's current or future drug candidates, including commercial manufacturing at scale, if any drug candidate receives marketing approval, including as a result of inflation or any supply chain issues;
- the costs associated with hiring additional personnel and consultants as Candid's business grows, including additional research and development personnel;
- the cost, timing and outcome of regulatory review of cizutamig, CND261, CND319 and CND460 and any future drug candidates;
- the costs of preparing, filing and prosecuting patent applications, maintaining and enforcing Candid's intellectual property rights and defending intellectual property-related claims;
- the terms and timing of establishing and maintaining collaborations, licenses and other similar arrangements;
- the timing of any milestone and royalty payments to Candid's existing or future suppliers, collaborators or licensors;
- the costs associated with enhancing Candid's operational systems and being a public company;
- the extent to which Candid acquires or in-licenses other drug candidates and technologies; and
- the costs associated with commercializing cizutamig, CND261, CND319 and CND460 or any future drug candidates, if they receive marketing approval.

In addition, Candid may seek additional capital due to favorable market conditions or strategic considerations, even if Candid believes it has sufficient funds for its current or future operating plans. To the extent that Candid raises additional capital through the sale of equity or convertible debt securities, stockholder ownership interests will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect stockholder rights. Debt financing and equity financing, if available, may involve agreements that include covenants limiting or restricting Candid's ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends. If Candid raises additional funds through collaborations, strategic alliances or marketing, distribution, licensing or other similar arrangements with third parties, Candid may be required to relinquish valuable rights to its technologies, future revenue streams, research programs or drug candidates or grant licenses on terms that may not be favorable to Candid. If Candid is unable to raise additional funds through equity or debt financings when needed, it may be required to delay, limit, reduce or terminate its product development or future commercialization efforts or grant rights to develop and market cizutamig, CND261, CND319 and CND460, or any future drug candidates that Candid would otherwise prefer to develop and market itself.

Risks Related to the Discovery and Development of Candid's Drug Candidates

Candid's approach to the development of drug candidates to treat autoimmune diseases is novel and unproven, and Candid does not know whether it will be able to develop any drugs of commercial value, or if competing technological approaches will limit the commercial value of its drug candidates.

Candid's success depends on its ability to develop, obtain regulatory approval for and commercialize its drug candidates, cizutamig, CND261, CND319 and CND460, which Candid believes represent relatively novel scientific approaches for the treatment of autoimmune diseases. Specifically, the development of cizutamig and CND261 was historically focused on the development of therapies for cancer. To date, the FDA has not approved any TCE therapies for the treatment of autoimmune diseases.

Candid's initial belief that cizutamig, CND261, CND319 and CND460 may be developed as potential treatments for autoimmune diseases was based on Candid's interpretation of published third-party data evaluating autologous CAR-T candidates within a limited autoimmune disease patient cohort, and using TCEs to treat autoimmune diseases, which demonstrated clinical improvement following treatment. To date, Candid has generated early clinical data in a mix of Phase 1 clinical studies and IITs, none of which have been completed, and through compassionate use treatment. Although Candid is encouraged by the results observed to date, these studies are ongoing may not be representative of final data upon completion of the studies or in any planned or future clinical studies. In addition, data generated through IITs and compassionate use, including any past clinical data developed for oncology indications, may prove to be less reliable than data obtained in a controlled clinical trial and Candid is unable to rely on this data to determine dosing, safety or therapeutic effect in its trials given the different characteristics of the patient population and their disease burden of the oncology patients in past clinical trials. As a result, such findings should not be directly compared to Candid's planned and future clinical trials or the final results on its ongoing clinical trials, since there could be key differences, including patient population and clinical trial design. Moreover, the focus of Candid's clinical development strategy includes efficiently generating proof-of-concept clinical data across multiple autoimmune diseases and using this data to prioritize indication for further investment into mid to later stage clinical trials. This broad development strategy may yield varying results across indications that may require Candid to reprioritize indication selection in the future. As an organization, Candid is early in its development efforts in autoimmune diseases and may never succeed in demonstrating the safety, purity and potency, or efficacy for any of its drug candidates in clinical trials or in obtaining regulatory approval thereafter.

In addition, the biopharmaceutical industry is characterized by rapidly advancing technologies. Candid's future success will depend in part on its ability to maintain a competitive position with its scientific approach. If Candid fails to stay at the forefront of technological change in utilizing its approach to create and develop TCE bispecific antibodies, Candid may be unable to compete effectively. Candid's competitors may render Candid's approach obsolete or limit the commercial value of its drugs by advances in existing technological approaches or the development of new or different approaches. By contrast, adverse developments with respect to other companies that attempt to use a similar approach to Candid's may adversely impact the actual or perceived value and potential of Candid's drug candidates.

If any of these events occur, Candid may be forced to delay, modify or abandon its development efforts for a drug candidate or program, which would have a material adverse effect on Candid's business and could potentially cause Candid to cease operations.

Candid is early in its development efforts and only has two drug candidates, cizutamig and CND261, in early clinical development. All of Candid's other drug products, including CND319 and CND460, are in the preclinical or discovery stage. If Candid is unable to advance its drug candidates in clinical development, obtain regulatory approval and ultimately commercialize its drug candidates, or experiences significant delays in doing so, Candid's business will be materially harmed.

Candid is in the early stages of its clinical development for autoimmune indications and has two drug candidates, cizutamig and CND261, in early clinical development. Cizutamig is in multiple Phase 1 dose escalation trials in patients with gMG and SLE, as well as IITs in SARD-ILD, SSc and other diseases. In addition, based on early clinical data for cizutamig, Candid plans to advance cizutamig into multiple Phase 2 studies in gMG and SARD-ILD in the middle of 2026, prior to receipt of final Phase 1 clinical data in these indications. CND261 is in Phase 1 dose-escalation trials in patients with RA and SLE, as well as an IIT in ANCA-associated vasculitis. Although Candid believes that its ongoing efforts with, and early clinical data for, cizutamig and CND261 support further evaluation in autoimmune diseases, Candid cannot predict, and there can be no assurance that, it will observe positive results in its ongoing or planned trials. In addition, there is no assurance that Candid will realize any benefits from its plan to advance cizutamig into Phase 2 clinical development ahead of final Phase 1 clinical data.

Candid's other drug candidates are still in the preclinical or discovery stages. Candid will need to submit IND applications to the FDA or comparable foreign regulatory applications to applicable foreign regulatory authorities and receive allowance to proceed prior to initiating clinical trials for its drug candidates in the applicable jurisdiction and then progress these candidates through clinical development. For example, to date, Candid has not received approval by the FDA to initiate clinical trials in the United States and will need IND clearance prior to initiating any of its planned clinical trials in the United States. Although Candid has initiated clinical development activities in various

geographies, including China, Europe and Australia, the acceptance of study data from clinical trials conducted outside the United States or another jurisdiction by the FDA or applicable foreign authority in support of any regulatory applications or submissions may be subject to certain conditions or may not be accepted at all.

Candid's ability to generate product revenues, which Candid does not expect will occur for many years, if ever, will depend heavily on the successful development and eventual commercialization of its current or future drug candidates. The success of Candid's current or future drug candidates will depend on several factors, including the following:

- allowance to proceed with clinical trials under INDs by the FDA or under similar regulatory submissions by applicable foreign regulatory authorities for the conduct of clinical trials of Candid's drug candidates and Candid's proposed design of future clinical trials;
- successful enrollment in, and timely completion of, clinical trials with favorable results;
- completion of preclinical studies with favorable results;
- sufficiency of Candid's financial and other resources to complete the necessary preclinical studies and clinical trials;
- demonstrating the safety, purity and potency, or efficacy of Candid's drug candidates to the satisfaction of the FDA and other applicable foreign regulatory authorities;
- the acceptance by the FDA and other regulatory authorities of data generated in geographies outside of the U.S. or such other jurisdictions;
- receipt of regulatory approvals from applicable regulatory authorities, including BLAs from the FDA and approvals from comparable foreign regulatory authorities, and maintaining such approvals;
- successfully developing subcutaneous or other formulations, if needed, of Candid's drug candidates and advancing them through clinical development;
- making arrangements with third-party manufacturers for the manufacture of Candid's drug candidates;
- establishing sales, marketing and distribution capabilities and launching commercial sales of Candid's drugs, if and when approved, whether alone or in collaboration with others;
- establishing and maintaining patent and trade secret protection or regulatory exclusivity for Candid's drug candidates;
- acceptance of any drugs Candid develops and their benefits and uses, if and when approved, by patients, the medical community and third-party payors;
- effectively competing with other therapies;
- obtaining and maintaining healthcare coverage and adequate reimbursement from third-party payors;
- maintaining an acceptable safety and efficacy profile of Candid's drugs following approval; and
- building and maintaining an organization of people who can successfully develop Candid's drug candidates.

Candid has not yet succeeded and may not succeed in demonstrating the safety, purity and potency, or efficacy, for any of its drug candidates in clinical trials or in obtaining regulatory approval thereafter. Given Candid's early stage of development, it will take several years before Candid can demonstrate the safety, purity and potency, or efficacy, of a drug candidate sufficient to warrant regulatory approval, if Candid can do so at all. If Candid is unable to develop, or obtain regulatory approval for, or, if approved, successfully commercialize, its drug candidates, Candid may not be able to generate sufficient revenue to continue its business.

As an organization, Candid has never completed any clinical trials and may be unable to do so for any of its drug candidates.

Candid is early in its development efforts for its drug candidates, has never completed any clinical trials, and will need to successfully complete its ongoing and planned Phase 1 trials and later-stage and pivotal clinical trials in order to obtain FDA or comparable foreign regulatory approval to market its drug candidates. Candid is conducting Phase 1 clinical trials for cizutamig and CND261, and has plans to conduct multiple Phase 2 clinical trials for cizutamig. For some of these Phase 2 clinical trials, Candid is seeking IND clearance from the FDA and other foreign regulatory agencies. Candid plans to summarize findings from its emerging data from Phase 1 studies, IITs and compassionate use studies, which were conducted in China, Europe and Australia, as the rationale for pursuing Phase 2 studies. There can be no assurance that the FDA or other foreign regulatory agencies will agree that the

data, including any data from ongoing Phase 1 clinical trials, submitted as part of Candid's IND or other foreign regulatory filings support IND or other foreign regulatory clearance for autoimmune indications. For example, the FDA has previously informed Candid that its Phase 1 oncology data for cizutamig would not support the IND filing and proposed Phase 1 clinical trial for cizutamig in autoimmune diseases without further preclinical testing due to potential differences in T-cell responses between oncology and autoimmune patients. Inability to obtain these clearances may hurt Candid's ability to initiate and conduct these trials in a timely manner.

Additionally, Candid is planning to conduct its first Phase 1 clinical trials for CND319 and CND460; however, Candid must first receive regulatory clearance from the FDA and other regulatory agencies, which may not occur on Candid's expected timing or at all. There can be no assurance that the FDA or other foreign regulatory authorities will agree that the data submitted as part of Candid's IND or other foreign regulatory filings support IND or other foreign regulatory clearance for autoimmune indications.

Candid has had limited interactions with the FDA and other comparable foreign regulatory authorities and cannot be certain of the number of clinical trials Candid's drug candidates will be required to undergo or the designs of such trials, or if such authorities will require additional preclinical studies prior to clearing Candid's INDs or other regulatory filings. As mentioned above, as a result of previous interactions with the FDA Candid has determined to develop our product candidates within the U.S. at this time given the FDA recommendation to additional preclinical studies and modifications to the study design. Although Candid believes the data generated globally in multiple autoimmune indications will be sufficient to enable clinical development in the U.S. and clearance of an IND with the FDA, there can be no assurances as to what level of clinical data the FDA will require in order to clear an IND and begin a study in the U.S., or whether the FDA will require modifications to the study design which could slow enrollment in the study globally. Consequently, Candid may be unable to successfully and efficiently execute and complete necessary clinical trials in a way that leads to submission and regulatory approval of any of its drug candidates. Candid may require more time and incur greater costs than its competitors and may not succeed in obtaining regulatory approvals of its drug candidates. Failure to commence or complete, or delays in, Candid's planned clinical trials could prevent or delay Candid in submitting marketing applications, including BLAs, for and commercializing its drug candidates.

Clinical trials are expensive, time-consuming, difficult to design and implement, and have an uncertain outcome. Any difficulties or delays in the commencement or completion, or the termination or suspension, of Candid's current or planned clinical trials could result in increased costs to Candid, delay or limit Candid's ability to generate revenue or adversely affect Candid's commercial prospects.

Before obtaining regulatory approvals for the commercial sale of any of its drug candidates, Candid must demonstrate that its drug candidates are safe, pure and potent, or effective, for use in each intended indication and have an adequate risk versus benefit profile in their intended patient populations and for their intended use.

Preclinical and clinical testing is complex, expensive, takes many years to complete, and is subject to uncertainty. Candid's planned clinical trials may not be conducted as planned or completed on schedule, if at all. Delays and failures can occur at any time during the clinical trial process. Candid cannot predict with any certainty whether or when it might complete a given clinical trial. Events that may prevent successful or timely commencement, readouts, and completion of clinical trials and preclinical studies include:

- inability to obtain animals or materials to initiate and generate sufficient preclinical, toxicology or other in vivo or in vitro data to support the initiation or continuation of clinical trials;
- delays in reaching agreement or consensus with the FDA, or other comparable foreign regulatory authorities as to the design or implementation of Candid's clinical trials, or failure to do so;
- delays in or failure to obtain regulatory approval or allowance to commence a clinical trial;
- delays in or failure to reach an agreement on acceptable terms with clinical trial sites or prospective contract research organizations ("CROs"), the terms of which can be subject to extensive negotiation and may vary significantly among different CROs and clinical trial sites;
- delays in or failure to obtain institutional review board ("IRB") approval or positive ethics committee opinion at each clinical trial site;
- inability to source any comparator drug in head-to-head studies;

- IRBs or ethics committees refusing to approve or provide a positive opinion, suspending or terminating the trial at an investigational site, precluding enrollment of additional subjects, or withdrawing their approval or positive opinion of a clinical trial;
- delays in or failure to identify and recruit suitable clinical investigators, or to recruit patients to participate in a clinical trial;
- patients choosing an alternative product for the indications for which Candid is developing its drug candidates, or participating in competing clinical trials;
- delays in or failure to have patients complete a clinical trial or return for post-treatment follow-up;
- clinical sites, CROs or other third parties deviating from trial protocol or dropping out of a trial;
- the subcutaneous formulation of Candid's drug candidates may yield different results in comparison to the intravenous formulation, which could impact Candid's clinical development, including trial enrollment;
- failures by Candid or its CROs to perform in accordance with the FDA's GCP requirements, or applicable regulatory requirements or guidelines in other countries;
- failure in addressing patient safety concerns that arise during the course of a trial, including occurrence of adverse events associated with the drug candidate that are viewed to outweigh such drug candidate's potential benefits;
- lack of adequate funding to complete a trial;
- selection of clinical endpoints that require prolonged periods of clinical observation or extended analysis of the resulting data;
- failure to add a sufficient number of clinical trial sites; or
- failure to manufacture sufficient quantities of drug candidate for use in clinical trials.

Even if Candid's future clinical trials are completed as planned, their results may not support the safety, purity and potency, or effectiveness of Candid's drug candidates for their targeted indications or support continued clinical development of such drug candidates. For example, in clinical trials that are based on preclinical studies and early clinical trials, it is not uncommon to observe unexpected results, and many drug candidates fail in clinical development despite very promising early results. Moreover, preclinical and clinical data may be susceptible to varying interpretations and analyses. A number of companies in the biopharmaceutical industry have suffered significant setbacks in clinical development even after achieving promising results in earlier studies. Furthermore, because Candid is developing its drug candidates across several indications, setbacks in one indication may negatively impact its development in other indications.

In addition, even if Candid's ongoing and planned trials are successfully completed, the FDA or comparable foreign regulatory authorities may not interpret the results as Candid does or may not accept data from clinical trials conducted outside such jurisdictions, and more trials could be required before Candid submits its drug candidates for approval, if ever. To the extent that the results of Candid's clinical trials are not satisfactory to the FDA or comparable foreign regulatory authorities for support of a marketing application, Candid may be required to expend significant resources, which may not be available to Candid, to conduct additional trials in support of potential approval of its drug candidates. Furthermore, 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 Candid's drug candidates.

Other unforeseen events Candid may experience during, or as a result of, clinical trials that could delay or prevent its ability to receive regulatory approval or commercialize its drug candidates or significantly increase the cost of such trials, include:

- Candid may experience changes in regulatory requirements or guidance, or receive feedback from regulatory authorities that requires Candid to modify the design of its clinical trials;
- clinical trials of Candid's drug candidates may produce negative or inconclusive results, and Candid may decide, or regulators may require Candid, to conduct additional clinical trials or abandon development programs;

- the number of patients required for clinical trials of Candid's drug candidates may be larger than Candid anticipates, enrollment in these clinical trials may be slower than Candid anticipates or participants may drop out of these clinical trials at a higher rate than Candid anticipates;
- Candid's third-party contractors, including its CROs, may fail to comply with protocol, legal and regulatory requirements and scientific standards or fail to meet their contractual obligations to Candid in a timely manner, or at all;
- Candid or its investigators might have to suspend or terminate clinical trials of its drug candidates for various reasons, including non-compliance with regulatory requirements, a finding that Candid's drug candidates have undesirable side effects or other unexpected characteristics, or a finding that the participants are being exposed to unacceptable health risks;
- adverse events suffered by clinical trial participants, whether or not such adverse events are ultimately deemed to be related to Candid's drug candidates;
- the cost of clinical trials of Candid's drug candidates may be greater than anticipated and Candid may elect not to cover the costs;
- the FDA or other comparable foreign regulatory authorities may require Candid to monitor patients via hospitalization for a certain period of time after dose administration of Candid's drug candidates;
- the supply or quality of Candid's drug candidates or other materials necessary to conduct clinical trials of its drug candidates may be insufficient or inadequate;
- regulators may revise the requirements for approving Candid's drug candidates, or such requirements may not be as Candid anticipates; and
- any future collaborators that conduct clinical trials may face any of the above issues, and may conduct clinical trials in ways they view as advantageous to them but that are suboptimal for Candid.

If Candid is required to conduct additional clinical trials or other testing of its drug candidates beyond those that it currently contemplates, if Candid experiences delays in the commencement or completion of, or is unable to successfully complete clinical trials of its drug candidates or other testing, or if the results of these trials or tests are not positive or are only modestly positive or if there are safety concerns, the commercial prospects of Candid's drug candidates could be harmed, and Candid's ability to generate revenues from its drug candidates may be delayed. In addition, if any of these risks were to materialize, Candid could:

- incur significant unplanned costs;
- be delayed in obtaining regulatory approval for its drug candidates or not obtain regulatory approval at all;
- obtain regulatory approval in some countries and not in others;
- obtain regulatory approval for indications or patient populations that are not as broad as intended or desired;
- obtain regulatory approval with labeling that includes significant use or distribution restrictions or safety warnings, including boxed warnings;
- be subject to additional post-marketing testing requirements; or
- have the product removed from the market after obtaining regulatory approval.

Any of these occurrences may harm Candid's business, financial condition and results of operations.

Candid's drug candidates may cause serious adverse events or undesirable side effects or have other properties that may delay or prevent regulatory approval, cause Candid to suspend or discontinue clinical trials, limit the commercial profile of an approved label, or result in significant negative consequences following regulatory approval, if any.

Candid has not yet completed any human clinical trials with its drug candidates. Candid has initiated Phase 1 clinical trials and IITs for cizutamig and CND261, and intends to initiate future Phase 1 clinical studies and IITs for CND319 and CND460. Undesirable side effects that may be caused by Candid's drug candidates could cause Candid or regulatory authorities, the DSMBs for such trials, IRBs or ethics committees of the institutions in which such trials are being conducted to interrupt, delay, suspend or terminate clinical trials and could result in a more restrictive label than anticipated or the delay or denial of regulatory approval by the FDA or comparable foreign regulatory authorities for any or all target indications. Results of Candid's clinical trials could reveal a high and

unacceptable severity and prevalence of side effects or unexpected characteristics, and Candid may not be able to complete a clinical trial for cizutamig, CND261, CND319, CND460 or any of its future drug candidates on the timeline it expects or at all.

While the data reported to date from the ongoing clinical evaluation for cizutamig and CND261 indicate that the drug candidates have been generally well tolerated, there remains a risk of serious adverse events. It is possible that increased occurrences of adverse events and serious adverse events, including cytokine release syndrome ("CRS"), neurotoxicity or infections will occur in human subjects during ongoing and planned clinical trials and the severity and rate of these events may not be acceptable in patients with autoimmune diseases. Any such findings could cause delays in completion or cancellation of clinical programs.

Furthermore, 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 Candid's drug candidates or those of Candid's competitors may only be uncovered when a significantly larger number of patients have been exposed to the drug candidate. For example, while Candid believes that cizutamig and CND261 have demonstrated manageable tolerability profiles thus far, such data is limited to a very small sample size and there can be no assurance that cizutamig, CND261 or any of Candid's other drug candidates will not cause more severe and/or serious side effects in a greater proportion of patients.

In addition, while several TCEs have been approved for oncology indications, Candid believes the FDA and comparable foreign regulatory authorities may apply a different risk-benefit threshold to Candid's drug candidates pursuing autoimmune indications such that any potential harmful side effects that may outweigh the benefits of such drug candidates would require Candid to cease clinical trials or abandon or limit its development of these drug candidates or would cause the FDA or comparable foreign regulatory authorities to deny marketing applications for these drug candidates. Accordingly, the risks of negative impact from TCE antibody toxicities may therefore be higher for Candid's autoimmune programs than for the oncology programs of others. Furthermore, to date, the FDA has not approved any TCE therapies for commercialization in an autoimmune indication; and therefore, what the FDA may require to establish an acceptable safety profile is not yet known.

In addition, further undesirable side effects, dose-limiting adverse events, or deaths in clinical trials with Candid's drug candidates may cause the FDA or comparable foreign regulatory authorities to place a clinical hold on the associated clinical trials, to require additional studies, dose de-escalation, or additional protocol amendments, or otherwise to delay or deny approval of our drug candidates for any or all targeted indications. Treatment-related side effects could also affect site initiation, patient recruitment or the ability of enrolled patients to complete the trial or result in potential product liability claims. Even if serious adverse events are unrelated to study treatment, such occurrences could affect patient enrollment or the ability of enrolled patients to complete the clinical trial. In addition, these side effects may not be appropriately recognized or managed by the treating medical staff. Candid expects to have to train medical personnel using its drug candidates to understand the side effect profiles for Candid's clinical trials and upon commercialization of any of Candid's drug candidates, if approved. Inadequate training in recognizing or managing the potential side effects of Candid's drug candidates could result in patient injury or death. Any of these occurrences may harm Candid's business, financial condition and prospects significantly.

Cizutamig's mechanism of action results in deep and prolonged B-cell depletion, including memory B-cells, which may lead to hypogammaglobulinemia, loss of vaccine-mediated immunity, and increased infection risk that could limit its clinical utility or require complex patient management strategies.

Cizutamig is designed to achieve deep depletion of BCMA-expressing B-cells and plasma cells, which is central to its therapeutic mechanism in autoimmune diseases. However, this deep depletion extends beyond pathogenic B-cell populations to include memory B-cells that are critical for maintaining protective immunity against infectious pathogens. Clinical experience to date has demonstrated that cizutamig treatment results in prolonged B-cell depletion and hypogammaglobulinemia, with reduced levels of immunoglobulin G ("IgG"), IgA, and IgM observed in treated patients.

Hypogammaglobulinemia, defined as abnormally low levels of antibodies in the blood, occurred in 39% of autoimmune patients treated with cizutamig in Candid's clinical studies to date. While Candid has managed this complication through prophylactic administration of intravenous immunoglobulin ("IVIG") therapy, hypogammaglobulinemia represents a significant safety concern that may:

- *Increase the risk of serious and opportunistic infections.* Patients with low immunoglobulin levels are at heightened risk for bacterial, viral, and fungal infections, particularly infections of the respiratory tract and sinopulmonary system. In Candid's clinical experience to date, Candid has observed infections including upper respiratory tract infections (13% of patients) and three serious infectious adverse events (pneumonia and COVID-19), all of which resolved with treatment. However, as Candid treats larger patient populations over longer periods, Candid may observe more frequent or severe infections, including life-threatening opportunistic infections.
- *Result in loss of vaccine-mediated immunity.* Deep depletion of memory B-cells and plasma cells may eliminate antibodies generated from prior vaccinations, leaving patients vulnerable to vaccine-preventable diseases such as measles, mumps, rubella, varicella, tetanus, diphtheria, pertussis, and other serious infections. Patients may lose protective antibody titers and require re-vaccination after B-cell reconstitution. However, the ability of patients to mount adequate immune responses to re-vaccination following deep B-cell depletion is uncertain and may be impaired, potentially leaving some patients without adequate protection against vaccine-preventable diseases. This risk is exacerbated in areas with low vaccination rates or outbreaks of vaccine-preventable diseases.
- *Require complex and costly long-term management.* Managing hypogammaglobulinemia may require regular IVIG infusions, which are expensive, time-consuming, require intravenous access, and carry their own risks including allergic reactions, hemolysis, thrombosis, and renal dysfunction. IVIG may need to be administered every 3-4 weeks for extended periods, potentially for many months or even years depending on the duration of B-cell depletion and immunoglobulin suppression. This requirement could significantly increase the overall cost of treatment, reduce patient quality of life, and create practical barriers to therapy administration, particularly if patients must receive IVIG infusions at specialized treatment centers. Additionally, global IVIG supply constraints or increased global supply costs could limit the availability of this supportive therapy, make it prohibitively costly or harm the commercial opportunity for Candid's TCE therapies.
- *Limit the acceptable patient population.* Patients with pre-existing immunodeficiency, active infections, or other risk factors for serious infections may not be appropriate candidates for cizutamig therapy. This could substantially narrow the eligible patient population and limit the commercial potential of cizutamig.
- *Create challenges in clinical trial design and execution.* The need to monitor and manage hypogammaglobulinemia and its consequences may require more frequent patient monitoring, specialized laboratory assessments, and intensive supportive care infrastructure, which could slow enrollment, increase trial costs, and make it more difficult to conduct trials in community practice settings.

Furthermore, the duration and reversibility of B-cell depletion following cizutamig treatment remain incompletely characterized. While Candid has observed B-cell reconstitution in some patients beginning approximately four months after treatment, with returning B-cells displaying a naive phenotype, the timeline for full immune reconstitution and restoration of normal B-cell function, including memory B-cell populations, may vary considerably among patients and could extend for many months or years. Prolonged B-cell depletion could result in extended periods of increased infection risk and the need for ongoing immunoglobulin replacement therapy or other supportive measures.

If regulatory authorities determine that the infection risk or the complexity of managing hypogammaglobulinemia and loss of vaccine immunity outweighs the potential clinical benefit of cizutamig, they may:

- refuse to approve cizutamig for marketing;
- require additional clinical trials with more intensive safety monitoring;
- approve cizutamig only with significant restrictions, such as a REMS or comparable foreign strategies, that could include requirements for certification of healthcare facilities, prescriber training, patient enrollment in a registry, mandatory laboratory monitoring, or restricted distribution;

- require black box warnings or other labeling restrictions that could significantly limit physician willingness to prescribe and patient willingness to accept treatment; and
- limit approved indications to only the most severe forms of autoimmune disease where the benefit-risk profile is most favorable.

Even if cizutamig is approved, the infection risk and need for complex ongoing management may limit physician adoption, reduce patient compliance, result in treatment discontinuations, and ultimately limit the commercial success of the product. Additionally, if serious or fatal infections occur in post-marketing use, regulatory authorities may require additional safety studies, impose new restrictions, or in extreme cases, require withdrawal of the product from the market.

The occurrence of serious infections or deaths attributable to hypogammaglobulinemia or impaired immunity in Candid's clinical trials or following any regulatory approval could also result in product liability claims, damage to Candid's reputation, and negative impacts on Candid's stock price and business prospects. Any of these outcomes could materially and adversely affect Candid's business, financial condition, results of operations, and prospects.

Candid has conducted, or plans to conduct, its initial clinical studies for cizutamig, CND261, and its other drug candidates outside of the United States. However, the FDA and other foreign equivalents may not accept data from such trials, in which case Candid's development plans will be delayed, which could materially harm Candid's business.

Candid has conducted its initial clinical studies for cizutamig and CND261 in China, Europe and Australia, and plans to continue to conduct additional clinical studies in China, Europe, Australia as well as other foreign geographies. The acceptance of study data from clinical trials conducted outside the United States or another jurisdiction by the FDA or applicable foreign authority may be subject to certain conditions or may not be accepted at all. In cases where data from foreign clinical trials are intended to serve as the sole basis for marketing approval in the United States, the FDA will generally not approve the application on the basis of foreign data alone unless (i) the data are applicable to the U.S. population and U.S. medical practice; (ii) the trials were performed by clinical investigators of recognized competence and pursuant to GCP regulations; and (iii) the data may be considered valid without the need for an on-site inspection by the FDA, or if the FDA considers such inspection to be necessary, the FDA is able to validate the data through an on-site inspection or other appropriate means. In addition, even where the foreign study data are not intended to serve as the sole basis for approval, the FDA will not accept the data as support for an application for marketing approval unless the study is well-designed and well-conducted in accordance with GCP requirements and the FDA is able to validate the data from the study through an onsite inspection if deemed necessary. Many foreign regulatory authorities have similar approval requirements. 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 applicable foreign authority will accept data from trials conducted outside of the United States or the applicable jurisdiction. If the FDA or any applicable foreign authority does not accept such data, it would result in the need for additional trials, which could be costly and time-consuming, and which may result in current or future drug candidates that Candid may develop not receiving approval for commercialization in the applicable jurisdiction.

Candid's global regulatory strategy relies on the FDA and other foreign regulatory authorities accepting its clinical data generated in China, Europe, Australia and other foreign countries; however, there can be no assurance the FDA or applicable foreign authorities will accept data from any other clinical studies that Candid may conduct in such foreign countries and, even if such data is accepted as a basis for the initiation of trials in the U.S. or such foreign countries, the FDA or such other foreign regulatory authorities may still require Candid to repeat or conduct additional clinical studies that would cause a delay in its timelines. If the FDA or applicable foreign authorities do not accept any such data, Candid would likely be required to conduct additional Phase 1 or Phase 2 clinical studies, which would be costly and time consuming, and delay aspects of Candid's development plan, which could harm Candid's business.

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

- additional foreign regulatory requirements;

- foreign exchange fluctuations;
- political and economic risks relevant to such foreign countries;
- 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.

Any such risks could materially and adversely affect Candid's business, financial condition, results of operations, and prospects.

Enrollment and retention of patients in clinical trials is an expensive and time-consuming process subject to various external factors beyond Candid's control that may cause delays or complications.

The timely completion of clinical trials in accordance with their protocols depends, among other things, on Candid's ability to enroll a sufficient number of patients who remain in the trial until its conclusion. Clinical trial recruitment in autoimmune diseases has been challenging as several third-party drug candidates are being pursued for the same autoimmune diseases and there is only a limited set of eligible patients for the given autoimmune diseases Candid is targeting. For example, Candid is aware of several active clinical trials evaluating drug candidates for the treatment of myasthenia gravis, ILD, SLE, RA, IgA nephropathy ("IgAN"), among others, and many of the sponsors have highlighted challenges in patient recruitment. Candid may not be able to initiate or continue clinical trials for its drug candidates if Candid is unable to locate and enroll a sufficient number of eligible patients to participate in these trials' conclusion as required by the FDA or other comparable foreign regulatory authorities. Candid may be required to monitor patients via hospitalization for a certain period of time after dose administration of its drug candidates, which would negatively impact Candid's ability to timely enroll patients.

The eligibility criteria of Candid's clinical trials, once established, may further limit the pool of available trial participants. If the actual number of patients with these diseases is smaller than Candid anticipates, Candid may encounter difficulties in enrolling patients in its clinical trials, thereby delaying or preventing development and approval of Candid's drug candidates. Even once enrolled, Candid may be unable to retain a sufficient number of patients to complete any of its trials.

Candid may experience difficulty in patient enrollment in its clinical trials for a number of reasons. The enrollment of patients depends on many factors, including:

- the patient eligibility criteria defined in the protocol;
- the size and nature of the patient population required for analysis of the trial's endpoints;
- the proximity of patients to study sites;
- the design of the trial;
- the existing body of safety and efficacy data for the drug candidate;
- the number and nature of competing treatments and ongoing clinical trials of competing therapies for the same indication;
- Candid's ability to recruit clinical trial investigators with appropriate competencies and experience;
- efforts to facilitate timely enrollment in clinical trials;
- patient referral practices of physicians;
- the ability to monitor patients adequately during and after treatment;
- clinicians' and patients' perceptions as to the potential advantages of the drug candidate being studied in relation to other available therapies, including new drugs that may be approved for the indications Candid is investigating;
- Candid's ability to obtain and maintain patient consents for participation in its clinical trials; and
- the risk that patients enrolled in clinical trials will not remain in the trial through the completion of evaluation.

Competing with numerous ongoing trials and established therapies poses a challenge in recruiting patients. Candid's clinical trials may also compete with other clinical trials of drug candidates that are in a similar immunotherapy area as Candid's drug candidates, and this competition could reduce the number and types of patients available to

Candid, because some patients who might have opted to enroll in Candid's trials may instead opt to enroll in a trial being conducted by one of Candid's competitors. Additionally, for any future clinical trials for the treatment of other autoimmune diseases, the number of qualified clinical investigators is limited, so Candid may conduct some of its clinical trials at the same clinical trial sites that some of Candid's competitors use, which will reduce the number of patients who are available for Candid's clinical trials at such clinical trial site. Recent announcements of clinical trial plans by various immunotherapy companies targeting autoimmune diseases, including those Candid intends to treat, could intensify future competition for investigators and patients. Failure to enroll a sufficient number of patients promptly could lead to delays or failure in completing Candid's trials, hindering the development and commercialization of Candid's drug candidates within certain patient subgroups or altogether.

Since the number of patients that have been and will be dosed in Candid's ongoing clinical trials is small, the results from such clinical trials, once completed, may be less reliable than or may not be predictive of results achieved in larger clinical trials, which may hinder Candid's efforts to obtain regulatory approval for its drug candidates.

The preliminary results of clinical trials with smaller sample sizes can be disproportionately influenced by various biases associated with the conduct of small clinical trials, such as the potential failure of the smaller sample size to accurately depict the characteristics of the broader patient population, which limits the ability to generalize the results across a broader community, thus making the clinical trial results less reliable than clinical trials with a larger number of patients. As a result, there may be less certainty that such drug candidates would achieve a statistically significant effect in any future clinical trials.

In addition, Candid is conducting numerous IITs and has generated data pursuant to compassionate use treatment. Such data is limited to a very small sample size, but may still be relied upon by Candid to inform future clinical development and allocation of resources. If such IIT data is not indicative of data that would have been generated in a larger clinical trial, Candid's assumptions in support of its clinical development activities may prove to be inaccurate and the FDA or other comparable regulatory authorities may require Candid to conduct additional and larger clinical trials than Candid may plan.

If Candid conducts any future clinical trials of its current and future drug candidates, Candid may not achieve a positive or statistically significant result or the same level of statistical significance, if any, that Candid might have anticipated based on prior results. Such failure could hinder Candid's efforts to obtain regulatory approval for its drug candidates.

Results of any patient who receives Candid's drug candidate in an IIT, compassionate use program or expanded access program should not be viewed as representative of how the drug candidate will perform in Candid's clinical trials and may not be able to be used to establish safety or efficacy for regulatory approval.

Before seeking regulatory approval for any of its drug candidates, Candid must demonstrate statistically significant evidence of both safety and effectiveness in well-controlled clinical trials. However, Candid does not control the design, administration or timing of IITs, compassionate use programs, and expanded access programs. Candid relies on investigators and physicians to ensure their compliance with clinical and regulatory requirements when using Candid's drug candidates for these trials. Failure to comply could expose Candid to liability.

While IITs, compassionate use programs and expanded access programs may provide valuable insights, they are not a substitute for, or intended to replace, Candid's clinical trials and their results cannot be formally relied on or used to establish safety or efficacy for regulatory approval. In fact, they may identify concerns that could impact Candid's findings or ongoing trials, potentially delaying or jeopardizing regulatory approval from the FDA or other regulatory bodies. If results from IITs, compassionate use programs and expanded access programs are inconsistent with or differ from Candid's sponsored trials or raise concerns regarding Candid's drug candidates, regulatory authorities may question Candid's sponsored trial results and subject them to greater scrutiny than they otherwise would. This could result in the need for additional clinical data, delaying clinical development and approval of Candid's drug candidates. In addition, while IITs could be useful to inform Candid's own clinical development efforts, there is no guarantee that Candid will be able to use the data from these trials to form the basis for regulatory approval of its drug candidates.

Moreover, the patient population in such trials is at high risk for serious adverse events. If these events are attributed to Candid's drug candidates, it could negatively impact their safety profile, leading to delays or failure in obtaining regulatory approval or successfully commercializing Candid's drug candidates.

In summary, while IITs, compassionate use programs and expanded access programs offer valuable insights, they also pose regulatory and operational challenges that could impact Candid's ability to bring its drug candidates to market.

Interim, topline and preliminary data from Candid's clinical trials or preclinical studies that Candid announces or publishes from time to time may not be predictive of future results and may change as more patient data become available and are subject to audit and verification procedures, which could result in material changes to the final data.

From time to time, Candid may publicly disclose interim, topline or preliminary data from its preclinical studies, clinical trials or planned clinical trials, which is based on a preliminary analysis of then-available data. The results and related findings and conclusions are subject to change following a more comprehensive review of the data related to the particular study or trial. Candid also makes assumptions, estimations, calculations and conclusions as part of its analyses of data, and Candid may not have received or had the opportunity to fully and carefully evaluate all data. As a result, the interim, topline or preliminary results that Candid reports may differ from future results of the same studies, or different conclusions or considerations may qualify such results, once additional data have been received and fully evaluated. Topline and preliminary data also remain subject to audit and verification procedures that may result in the final data being materially different from the preliminary or topline data Candid previously published. As a result, such data should be viewed with caution until the final data are available. Additionally, while Candid believes the early clinical trial results from the Phase 1 portions of the clinical trials for cizutamig and CND261 as well as IITs and compassionate use are favorable, Candid may not see similar or favorable results in the future and Candid is unable to rely on any past clinical data developed for oncology indications or in IITs or compassionate use to determine dosing, safety or therapeutic effect in its trials given the different characteristics of the patient population and their disease burden of the oncology patients in past clinical trials.

From time to time, Candid may also disclose interim data from its clinical trials. Interim data from clinical trials that Candid may subsequently complete are subject to the risk that one or more of the reported clinical outcomes may materially change as patient enrollment continues and more patient data become available. Adverse differences between interim, topline or preliminary data and final data could significantly harm Candid's business prospects. Further, disclosure of such data by Candid or by Candid's competitors could result in volatility in the price of Candid Common Stock.

Further, others, including regulatory authorities, may not accept or agree with Candid's 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 drug candidate or product and Candid in general. In addition, the information Candid chooses to publicly disclose regarding a particular study or clinical trial is based on what is typically extensive information, and investors or others may not agree with what Candid determines is the material or otherwise appropriate information to include in its disclosure, and any information Candid determines not to disclose may ultimately be deemed significant with respect to future decisions, conclusions, views, activities or otherwise regarding a particular product, drug candidate or Candid's business. If the interim, topline or preliminary data that Candid reports differ from actual results, or if others including comparable foreign regulatory authorities, disagree with the conclusions reached, Candid's ability to obtain approval for, and commercialize, its drug candidates may be harmed, which could harm Candid's business, operating results, prospects or financial condition.

Candid's preclinical programs may experience delays or may never advance to clinical trials, which would adversely affect Candid's ability to obtain regulatory approvals or commercialize these programs on a timely basis or at all.

Before Candid can commence clinical trials for its drug candidates CND319 and CND460, Candid must complete extensive preclinical testing and studies that support its planned INDs in the United States and comparable applications outside the United States.

Candid cannot be certain of the timely completion or outcome of its preclinical testing and studies and cannot predict if the FDA or comparable foreign regulatory authorities will accept Candid's proposed clinical programs or if the outcome of Candid's preclinical testing and studies will ultimately support the further development of its programs. As a result, Candid may not submit INDs or similar applications for its preclinical programs within its

anticipated timelines, if at all, and submission of INDs or similar applications may not result in the FDA or comparable foreign regulatory authorities allowing clinical trials to begin.

Conducting preclinical testing is a lengthy, time-consuming and expensive process. The length of time may vary substantially according to the type, complexity and novelty of the program, and often can be several years or more per program. Any delays in preclinical testing and studies conducted by Candid or potential future partners may cause Candid to incur additional operating expenses. The commencement and rate of completion of preclinical studies for a drug candidate may be delayed by many factors, including, for example:

- inability to generate sufficient preclinical or other in vivo or in vitro data to support the initiation of clinical trials;
- dependence on third parties to conduct, supervise and monitor Candid's planned preclinical studies;
- delays in reaching a consensus with regulatory authorities on study design; and
- the FDA (or comparable foreign regulatory authorities) not allowing Candid to rely on previous findings of safety and efficacy for other similar but approved products and published scientific literature.

Moreover, because standards for pre-clinical assessment are evolving and may change rapidly, even if Candid reaches an agreement with the FDA on a pre-IND proposal, the FDA may not accept the IND submissions as presented, in which case, the clinical trial timeline could be delayed.

Candid may not identify or discover other drug candidates, may expend its limited resources to pursue a particular drug candidate or a particular indication and may fail to capitalize on programs, drug candidates or indications that may present a greater commercial opportunity or for which there is a greater likelihood of success.

Candid's business depends upon its ability to identify, develop and commercialize drug candidates. Candid has explored and may continue to explore strategic collaborations for the discovery of new drug candidates. Research programs to identify drug candidates require substantial technical, financial and human resources, whether or not any drug candidates are ultimately identified. In addition, drug candidates against targets for different autoimmune diseases may require changes to Candid's manufacturing processes, which may slow down development of or make it impossible to manufacture Candid's drug candidates. Candid's research programs may initially show promise in identifying potential drug candidates, yet fail to yield drug candidates for clinical development for many reasons, including the following:

- the research methodology or drug discovery approach used may not be successful in identifying potential drug candidates;
- competitors may develop alternatives that render Candid's drug candidates obsolete or less attractive;
- Candid may choose to cease development if Candid determines that clinical results do not show promise;
- drug candidates Candid develops may nevertheless be covered by third parties' patents or other exclusive rights;
- a drug candidate may be shown to have harmful side effects or other characteristics that indicate it is unlikely to be effective or otherwise does not meet applicable regulatory criteria; and
- a drug candidate may not be accepted as safe and effective by patients, the medical community or third-party payors.

Because Candid has limited resources, Candid must choose to pursue and fund the development of specific types of treatment, and select certain other therapies to test in combination with Candid's drug candidates or treatment for a specific type of autoimmune disease. As a result, Candid may forgo or delay pursuit of opportunities with other programs, drug candidates or combinations or for indications that could have had greater commercial potential. Candid's resource allocation and other decisions may cause Candid to fail to identify and capitalize on viable potential programs, drug candidates or indications. In addition, Candid's estimates regarding the potential market for its drug candidates could be inaccurate. As a result, Candid's spending on current and future programs, drug candidates or specific indications may not yield any commercially viable drugs. For example, Candid is planning to initiate Phase 2 clinical trials of cizutamig in gMG and SARD-ILD based on early clinical data from a small sample size and may prioritize an indication that has less potential once final clinical data or clinical data from a larger sample size becomes available.

In addition, if Candid does not accurately evaluate the commercial potential or target market for a particular indication or drug candidate, Candid may relinquish valuable rights to that drug candidate through collaborations, licenses, and other similar arrangements in cases in which it would have been more advantageous for Candid to retain sole development and commercialization rights to such drug candidate. Alternatively, Candid may allocate internal resources to a drug candidate in a therapeutic area in which it would have been more advantageous to enter into a partnering arrangement.

If any of these events occur, Candid may be forced to abandon or delay its development efforts with respect to a particular program, drug candidate or indication or fail to develop a potentially successful drug candidate.

The affected populations for Candid's drug candidates may be smaller than Candid or third parties currently project, which may affect the addressable markets for Candid's drug candidates.

Candid selects the targets for development of its drug candidates based on a number of factors, including the estimated patient populations in which Candid believes there is a meaningful addressable market opportunity. However, Candid's projections of the number of people who have the diseases Candid is seeking to treat, as well as the subset of people with these diseases who have the potential to benefit from treatment with Candid's drug candidates, are estimates based on Candid's knowledge and understanding of these diseases. The total addressable market opportunity for Candid's drug candidates will ultimately depend upon a number of factors, including the diagnosis and treatment criteria included in the final label, if approved for sale in specified indications, acceptance by the medical community, patient access, alternative therapies and product pricing and reimbursement. Incidence and prevalence estimates are frequently based on information and assumptions that are not exact and may not be appropriate, and the methodology is forward-looking and speculative. The process Candid has used in developing an estimated incidence and prevalence range for the indications Candid is targeting has involved collating limited data from multiple sources.

Accordingly, the incidence and prevalence estimates included in this proxy statement/prospectus should be viewed with caution. Further, the data and statistical information used in this proxy statement/prospectus, including estimates derived from them, may differ from information and estimates made by Candid's competitors or from current or future studies conducted by independent sources.

International trade policies, including tariffs, sanctions and trade barriers may adversely affect Candid's business, financial condition, results of operations and prospects.

Candid operates in a global economy, which includes utilizing third-party suppliers in several countries outside the United States. There is inherent risk, based on the complex relationships among the United States and the countries in which Candid conducts its business, that political, diplomatic and national security factors can lead to global trade restrictions and changes in trade policies and export regulations that may adversely affect Candid's business and operations. The current international trade and regulatory environment is subject to significant ongoing uncertainty including related legal challenges. The U.S. government has recently announced substantial new tariffs affecting a wide range of products and jurisdictions and has indicated an intention to continue developing new trade policies, including with respect to the pharmaceutical industry. In response, certain foreign governments have announced or implemented retaliatory tariffs and other protectionist measures. These developments have created a dynamic and unpredictable trade landscape, which may adversely impact Candid's business, results of operations, financial condition and prospects. The Bureau of Industry and Security, U.S. Department of Commerce, has initiated an investigation to determine whether pharmaceutical ingredients, including finished drug product, manufactured outside the United States pose a national security risk and should be subject to additional tariffs.

Candid does not own or operate, and currently has no plans to establish, any manufacturing facilities. Candid currently relies, and expects to continue to rely, on third parties for the manufacture of its drug candidates for clinical testing, as well as for manufacture of any products that Candid may commercialize, if approved. Currently, the drug substance and drug product are manufactured in China. Candid also relies on specialized laboratory equipment, supplies, materials and precursor compounds, all or part of which Candid believes may be ultimately sourced from multiple countries outside the United States, to advance its research and development efforts. This dependence exposes Candid to geopolitical, trade, tariff, and sanctions risks, including actions that could disrupt or restrict work with Chinese entities. Any supply disruption, delay or cost increase could materially delay our trials and increase program costs.

Current or future tariffs will result in increased research and development expenses for Candid, including with respect to increased costs associated with manufacturing drug substance and drug product. In addition, such tariffs will increase Candid's supply chain complexity and could also potentially disrupt Candid's existing supply chain. Unlike consumer goods, pharmaceuticals face unique regulatory constraints that make rapid supply chain adjustments particularly difficult and costly. Trade restrictions affecting the import of materials necessary for clinical trials could result in delays to Candid's development timelines. Increased development costs and extended development timelines could place Candid at a competitive disadvantage compared to companies operating in regions with more favorable trade relationships and could reduce investor confidence, negatively impacting Candid's ability to secure additional financing on favorable terms or at all. In addition, as Candid advances toward commercialization in the future, tariffs and trade restrictions could hinder Candid's ability to establish cost-effective production capabilities, negatively impacting Candid's growth prospects.

The complexity of announced or future tariffs may also increase the risk that Candid or its suppliers may be subject to civil or criminal enforcement actions in the United States or foreign jurisdictions related to compliance with trade regulations. Foreign governments may also adopt non-tariff measures, such as procurement preferences or informal disincentives to engage with, purchase from or invest in U.S. entities, which may limit Candid's ability to compete internationally and attract non-U.S. investment, employees, customers and suppliers. Foreign governments may also take other retaliatory actions against U.S. entities, such as decreased intellectual property protection, increased enforcement actions or delays in regulatory approvals, which may result in heightened international legal and operational risks. In addition, the United States and other governments have imposed and may continue to impose additional sanctions, such as trade restrictions or trade barriers, which could restrict Candid from doing business directly or indirectly in or with certain countries or parties and may impose additional costs and complexity to Candid's business.

Trade disputes, tariffs, restrictions and resulting legal challenges and other political tensions between the United States and other countries may also exacerbate unfavorable macroeconomic conditions including inflationary pressures, foreign exchange volatility, financial market instability, and economic recessions or downturns. The ultimate impact of current or future tariffs and trade restrictions and resulting legal challenges remains uncertain and could materially and adversely affect Candid's business, financial condition, and prospects. While Candid actively monitors these risks, any prolonged economic downturn, escalation in trade tensions, or deterioration in international perception of U.S.-based companies could materially and adversely affect Candid's business, ability to access the capital markets or other financing sources, results of operations, financial condition and prospects. In addition, trade developments have and may continue to heighten the risks related to the other risk factors described elsewhere in this proxy statement/prospectus.

Candid has in-licensed the rights to cizutamig and CND261 in limited territories. Any adverse developments that occur during any clinical trials or manufacturing conducted by third parties, including EpimAb or Genor, in other jurisdictions or other indications may affect Candid's ability to obtain regulatory approval or commercialize its drug candidates.

Candid has in-licensed the right to develop, manufacture and commercialize cizutamig and CND261 everywhere in the world except for Mainland China, Hong Kong, Macau and Taiwan (the "Licensed Territory"). EpimAb Biotherapeutics ("EpimAB") and Genor Biopharma ("Genor"), over which Candid has limited control, have the right to develop, manufacture and commercialize these drug candidates in geographies outside the Licensed Territory. If serious adverse events or other negative safety results are observed in any studies conducted by EpimAB, Genor or any third parties, such results may negatively impact Candid's programs in autoimmune diseases. For example, unfavorable safety results observed in third-party studies of Candid's drug candidates could lead the FDA or other comparable foreign regulatory authorities to suspend or impose restrictions on Candid's clinical trials, and such events could ultimately result in the delay, limitation or denial of approval of these drug candidates or require Candid to conduct additional clinical trials as a condition to regulatory approval, if any, which would increase Candid's costs and time to market. If Candid receives FDA or foreign regulatory authority approval for any of its drug candidates and a new or serious safety issue is identified in connection with clinical trials conducted by third parties, the FDA or other comparable foreign regulatory authority may withdraw or vary their approval, restrict Candid's ability to market and sell its drugs or require additional testing or evaluation.

Disruptions to the operations of the FDA, the SEC, other U.S. governmental agencies or comparable foreign regulatory authorities caused by funding shortages, leadership changes, staffing cuts or other staffing shortages, along with uncertainty regarding the potential for new initiatives, laws, regulations, policies and guidance affecting Candid's drug candidates or other aspects of Candid's business, could materially and adversely affect Candid's business.

The ability of the FDA or other comparable foreign regulatory authorities to review and approve new products or take action with respect to other regulatory matters can be affected by a variety of factors, including government budget and funding levels, leadership changes, the ability to hire and retain key personnel and accept payment of user fees, the availability of personnel and other resources, changes in statutes, regulations and policies that affect the FDA's or comparable foreign regulatory authorities' ability to perform routine functions, and other business disruptions.

Average review times at the FDA and comparable foreign regulatory authorities have fluctuated in recent years as a result. In addition, government funding of the SEC and other government agencies on which Candid's operations may rely, including those that fund research and development activities, is subject to the political process, which is inherently fluid and unpredictable.

Over the last several years, the U.S. government has shut down several times and certain regulatory agencies, such as the FDA and the SEC, have had to furlough critical FDA, SEC and other government employees and stop critical activities. In addition, there have recently been terminations of large numbers of federal employees at various federal agencies, including the FDA. Changes and cuts in FDA staffing could result in delays in the FDA's responsiveness or in its ability to review IND submissions or applications, issue regulations or guidance, or implement or enforce regulatory requirements in a timely fashion, or at all. A prolonged government shutdown and/or employee terminations or resignations could significantly impact the ability of the FDA or other federal agencies to timely review and process Candid's regulatory submissions, which could have a material adverse effect on Candid's business. Government shutdowns and/or employee terminations could also impact third parties with whom Candid works, such as clinical trial sites, which in turn could have a material impact on Candid's business. Further, future government shutdowns and/or employee terminations or resignations at the SEC could impact Candid's ability to access the public markets and obtain necessary capital in order to properly capitalize and continue Candid's operations.

There is substantial uncertainty as to whether and how the current administration will seek to modify or revise the requirements and policies of the FDA and other regulatory agencies with jurisdiction over Candid's drug candidates and any products for which Candid obtains approval. This uncertainty could present new challenges as Candid navigates development and approval of its drug candidates. Some of these efforts have manifested to date in the form of personnel cuts and measures that could impact the FDA's ability to hire and retain key personnel, which could result in delays or limitations on Candid's ability to obtain guidance from the FDA on its drug candidates in development and obtain the requisite regulatory approvals in the future. There is uncertainty as to whether Candid will be materially and negatively impacted by governmental orders, regulations, policies or guidance, or disruptions to the normal operations of government agencies.

Risks Related to Candid's Reliance on Third Parties and Manufacturing

If third parties that Candid relies on to conduct preclinical studies and clinical trials do not successfully carry out their contractual duties, comply with regulatory requirements or meet expected deadlines, Candid may not be able to obtain marketing approval for or commercialize its drug candidates.

Candid does not independently conduct the majority of its preclinical studies and any of its clinical trials. Candid relies and plans to continue to rely on clinical investigators, consultants, contract laboratories and other third parties, such as CROs, to conduct or otherwise support research and preclinical studies and clinical trials for its drug candidates. Candid relies heavily on these parties for execution of preclinical studies and clinical trials for its drug candidates and controls only certain aspects of their activities. Nevertheless, Candid is responsible for ensuring that each of its preclinical studies and clinical trials is conducted in accordance with the applicable protocol, legal and regulatory requirements and scientific standards, and Candid's reliance on CROs and other third parties will not relieve Candid of its regulatory responsibilities. For any violations of laws and regulations during the conduct of Candid's preclinical studies and clinical trials, Candid could be subject to untitled letters, warning letters or enforcement action that may include civil penalties up to and including criminal prosecution.

Candid and the third parties on which Candid relies for clinical trials are required to comply with regulations and requirements, including GCP for conducting, monitoring, recording and reporting the results of clinical trials to ensure that the data and results are scientifically credible and accurate, and that the trial patients are adequately informed of the potential risks of participating in clinical trials and that their rights are protected. These regulations are enforced by the FDA, the competent authorities of the EU Member States, and comparable foreign regulatory authorities for any drugs in clinical development. The FDA and competent authorities of EU Member States enforce GCP requirements through periodic inspections of clinical trial sponsors, principal investigators and trial sites. If Candid or these third parties fail to comply with applicable GCP, the clinical data generated in Candid's clinical trials may be deemed unreliable and the FDA or comparable foreign regulatory authorities may require Candid to perform additional clinical trials before approving any marketing applications Candid may submit. Candid cannot assure investors that, upon inspection, the FDA or comparable foreign regulatory authorities will determine that any of Candid's future clinical trials will comply with GCP. In addition, Candid's clinical trials must be conducted with drug candidates produced under current Good Manufacturing Practice ("cGMP") regulations. Candid's failure or the failure of these third parties to comply with these regulations may require Candid to repeat clinical trials, which would delay the regulatory approval process and could also subject Candid to enforcement action. Candid is also required to register certain ongoing clinical trials and provide certain information, including information relating to the trial's protocol, on a government-sponsored database, ClinicalTrials.gov, within specific timeframes. Failure to do so can result in fines, adverse publicity and civil and criminal sanctions. Similar requirements and sanctions may apply outside of the United States.

Although Candid intends to design the preclinical studies and clinical trials for its drug candidates, Candid will rely on third parties to conduct its preclinical studies and clinical trials. As a result, many important aspects of Candid's clinical development, including preclinical studies and clinical trial conduct and timing, will be outside of Candid's direct control. Candid's reliance on third parties to conduct preclinical studies and future clinical trials will also result in less direct control over the management of data developed through preclinical studies and clinical trials than would be the case if Candid were relying entirely upon its own staff.

Communicating with CROs can also be challenging, potentially leading to mistakes, as well as difficulties in coordinating activities. Such CROs may:

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

If any of the third parties with whom Candid contracts also have relationships with other commercial entities, including Candid's competitors, for whom they may also be conducting clinical trials or other activities, that could harm Candid's competitive position.

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

In addition, Candid's CROs have the right to terminate their agreements with Candid in the event of an uncured material breach and under other specified circumstances. If any of Candid's relationships with these third parties

terminate, Candid may not be able to enter into arrangements with alternative third parties in a timely manner, on commercially reasonable terms, or at all.

There is ultimately no guarantee that any of Candid's CROs, investigators or other third parties will devote adequate time and resources to such trials or studies, perform as contractually required or in a satisfactory manner or comply with regulatory requirements. If any of these third parties fails to meet expected deadlines, fails to adhere to Candid's clinical protocols or meet regulatory requirements, or otherwise performs in a substandard manner, Candid may be unable to rely on clinical data collected by these third parties, may be required to repeat, extend the duration of, or increase the size of any preclinical studies and clinical trials Candid conducts, or may result in the termination of its preclinical studies and clinical trials, all of which could significantly delay commercialization, require significantly greater expenditures and harm Candid's financial results and the commercial prospects for its drug candidates.

Candid's success is dependent on its ability to successfully pursue business development, strategic partnerships and investment opportunities as Candid matures. Candid is currently party to such arrangements, and may enter into additional collaboration and licensing arrangements in the future, and may not realize the benefits of such collaborations, alliances, acquisitions or licensing arrangements.

Candid has entered into licensing and collaboration arrangements with EpimAb, Genor and Wuxi Biologics for the right to develop, manufacture and commercialize cizutamig, CND261, CND319 and CND319, respectively, and may in the future form or seek strategic alliances or acquisitions, create joint ventures or enter into additional collaboration and licensing arrangements with third parties that Candid believes will complement or augment its development and commercialization efforts with respect to its drug candidates that Candid may develop. Any of these relationships may require Candid to incur non-recurring and other charges, increase its near and long-term expenditures, issue securities that dilute Candid's existing stockholders or disrupt Candid's management and business.

Research and development collaborations are subject to numerous risks, which may include the following:

- collaborators have significant discretion in determining the efforts and resources that they will apply to these collaborations;
- collaborators could fail to conduct trials on the timeline Candid expects or otherwise fail to support Candid's partnered trials;
- collaborators could independently develop, or develop with third parties, drugs that compete directly or indirectly with Candid's drugs or drug candidates;
- collaborators could encounter safety or efficacy problems, manufacturing problems, developmental delays, regulatory issues or other problems with Candid's partnered trials;
- collaborators may not properly enforce, maintain or defend Candid's intellectual property rights or may use Candid's proprietary information in a way that gives rise to actual or threatened litigation that could jeopardize or invalidate Candid's intellectual property or proprietary information or expose Candid to potential litigation, or other intellectual property proceedings;
- disputes may arise between a collaborator and Candid that cause the delay or termination of the research, development or commercialization of the drug candidate, or that result in costly litigation or arbitration that diverts management attention and resources;
- if a present or future collaborator of Candid were to be involved in a business combination, the continued pursuit and emphasis on Candid's product development or commercialization program under such collaboration could be delayed, diminished or terminated; and
- collaboration agreements may restrict Candid's right to independently pursue new drug candidates.

Candid faces significant competition in seeking appropriate strategic partners and the negotiation process is time-consuming and complex. Whether Candid reaches a definitive agreement for other collaborations will depend, among other things, upon Candid's assessment of the collaborator's resources and expertise, the terms and conditions of the proposed collaboration and the proposed collaborator's evaluation of a number of factors. Those factors may include the design or results of clinical trials, the progress of Candid's clinical trials, the likelihood of approval by the FDA or comparable foreign regulatory authorities, the potential market for the subject drug candidate, the costs and

complexities of manufacturing and delivering such drug candidate to patients, the potential of competing drugs, the existence of uncertainty with respect to Candid's ownership of technology, which can exist if there is a challenge to such ownership without regard to the merits of the challenge, and industry and market conditions generally. The collaborator may also consider alternative drug candidates or technologies for similar indications that may be available to collaborate on and whether such a collaboration could be more attractive than the one with Candid for Candid's drug candidate. Further, Candid may not be successful in its efforts to establish a strategic partnership or other alternative arrangements for future drug candidates because they may be deemed to be at too early of a stage of development for collaborative effort and third parties may not view them as having the requisite potential to demonstrate safety and efficacy. Any delays in entering into new collaborations or strategic partnership agreements related to any drug candidate Candid develops could delay the development and commercialization of Candid's drug candidates, which would harm Candid's business prospects, financial condition and results of operations.

As a result of these risks, Candid may not be able to realize the benefit of its existing licensing agreements or any future collaborations or licensing agreements Candid may enter into. In addition, there have been a significant number of recent business combinations among large pharmaceutical and biomedical companies that have resulted in a reduced number of potential future collaborators and changes to the strategies of the combined company. As a result, Candid may not be able to negotiate collaborations on a timely basis, on acceptable terms, or at all. If Candid is unable to do so, Candid may have to curtail the development of such drug candidate, reduce or delay one or more of its other development programs, delay the potential commercialization or reduce the scope of any planned sales or marketing activities for such drug candidate, or increase its expenditures and undertake development, manufacturing or commercialization activities at its own expense. If Candid elects to increase its expenditures to fund development, manufacturing or commercialization activities on its own, Candid may need to obtain additional capital, which may not be available to Candid on acceptable terms or at all. If Candid does not have sufficient funds, Candid may not be able to further develop its drug discovery program or drug candidates or bring them to market and generate revenue.

Additionally, Candid may sometimes collaborate with academic institutions to accelerate its preclinical research or development under written agreements with these institutions. If collaborations occur, these institutions provide Candid with an option to negotiate a license to any of the institution's rights in technology resulting from the collaboration. Regardless of such option, Candid may be unable to negotiate a license within the specified timeframe or under terms that are acceptable to Candid. If Candid is unable to do so, the institution may offer the intellectual property rights to other parties, potentially blocking Candid's ability to pursue its program. If Candid is unable to successfully obtain rights to required third-party intellectual property or to maintain the existing intellectual property rights Candid has, Candid may have to abandon development of such program and Candid's business and financial condition could suffer.

Candid's drugs require specific constituents to work effectively and efficiently, and rights to those constituents are, and in the future may be, held by others. Candid may be unable to in-license any rights from constituents, methods of use, processes or other third-party intellectual property rights from third parties that Candid identifies. Candid may fail to obtain any of these licenses at a reasonable cost or on reasonable terms, which could harm Candid's business. Even if Candid is able to obtain a license, it may be non-exclusive, thereby giving Candid's competitors access to the same technologies licensed to Candid. In that event, Candid may be required to expend significant time and resources to develop or license replacement technology in order to establish or maintain Candid's competitive position in the market. Any delays in entering into new collaborations or strategic partnership agreements related to Candid's drug candidates or its drug discovery capabilities could delay the development and commercialization of Candid's drug candidates in certain geographies or limit Candid's ability to discover and develop new drug candidates, which could harm Candid's business prospects, financial condition and results of operations.

Candid contracts with third parties for the manufacturing and supply of certain of its drug candidates for use in preclinical testing and planned clinical trials, which supply may become limited or interrupted or may not be of satisfactory quality and quantity.

Candid does not have any manufacturing facilities. Candid currently relies on contract and development manufacturing organizations ("CDMOs") in China for the manufacture and supply of its drug candidates for clinical testing. If any of Candid's drug candidates are approved, Candid intends to continue to rely on CDMOs for

commercial manufacture. Candid's current reliance on CDMOs increases the risk that Candid will not have sufficient quantities of its drug candidates or for any potential commercialization, or such quantities of its drug candidates at an acceptable cost or quality, which in each case could delay, prevent or impair Candid's development or potential commercialization efforts. Furthermore, in Candid's clinical trials, Candid plans to evaluate differing dosing regimens using both intravenous and/or subcutaneous formulations of cizutamig, CND261, CND319 and CND460. As such, Candid may require its drug candidates to be manufactured in high dose concentrations to facilitate the administration of the subcutaneous formulation. If Candid's CDMOs are unable to manufacture such high dose concentrations of Candid's drug candidates, Candid could face delays in its planned clinical trials. Candid has started the process to locate an alternate CDMO elsewhere globally, but there is no guarantee that Candid can identify and engage an alternate manufacturer in time so as not to disrupt Candid's planned clinical trials on terms that are acceptable to Candid (including financial terms), or at all. Even if Candid is able to transfer its manufacturing process of its drug candidates to another CDMO, establishing additional or replacement suppliers for supplies, and obtaining regulatory clearance or approvals that may result from adding or replacing suppliers, could take a substantial amount of time, result in increased costs and impair Candid's ability to produce its drugs, which would adversely impact Candid's business, financial condition, results of operations and prospects.

Furthermore, all entities involved in the preparation of therapeutics for clinical trials or commercial sale, including Candid's existing and future CDMOs for its drug candidates, are subject to extensive regulation. Components of a finished therapeutic product approved for commercial sale or used in clinical trials must be manufactured in accordance with cGMP requirements. These regulations govern, among other things, manufacturing processes and procedures, including record keeping, and the implementation and operation of quality systems to control and assure the quality of investigational drugs and drugs approved for sale. Poor control of production processes can lead to the introduction of contaminants, or to inadvertent changes in the properties or stability of Candid's drug candidates that may not be detectable in final product testing. Candid or its CDMOs must supply all necessary documentation in support of a BLA on a timely basis and must adhere to the FDA's Good Laboratory Practice regulations and cGMP regulations enforced by the FDA through its facilities inspection program. Comparable foreign regulatory authorities may require compliance with similar requirements. The facilities and quality systems of Candid's third-party CDMOs must pass a pre-approval inspection for compliance with the applicable regulations as a condition to marketing approval of Candid's drug candidates. Candid does not control the manufacturing process of, and is completely dependent on, third-party manufacturers for compliance with cGMP requirements for manufacture of Candid's drug candidates. If these third-party manufacturers cannot successfully manufacture material that conforms to Candid's specifications and the strict regulatory requirements of the FDA or any comparable foreign regulatory authority, they will not be able to secure and/or maintain regulatory approval for the use of their manufacturing facilities in connection with Candid's drug candidates.

Candid, or Candid's contract manufacturers, and any future collaborators and their contract manufacturers could be subject to periodic unannounced inspections by the FDA, competent authorities of EU Member States or other comparable foreign regulatory authorities to monitor and ensure compliance with cGMP. Despite Candid's efforts to audit and verify regulatory compliance, Candid's CDMOs may be found on regulatory inspection by the FDA, competent authorities of EU Member States or other comparable foreign regulatory authorities to be noncompliant with cGMP regulations. Candid's failure, or the failure of Candid's CDMOs, to comply with applicable regulations could result in sanctions being imposed on Candid, including shutdown of the third-party vendor or invalidation of drug product lots or processes, fines, injunctions, civil penalties, delays, suspension, variation or withdrawal of approvals, license revocation, seizures or recalls of drug candidates or drugs, operating restrictions and criminal prosecutions, any of which could significantly and adversely affect supplies of Candid's drugs, if approved, and significantly harm Candid's business, financial condition, results of operations and prospects.

In the event that any of Candid's manufacturers fails to comply with such requirements or to perform its obligations to Candid in relation to quality, timing or otherwise, or if Candid's supply of components or other materials becomes limited or interrupted for other reasons, Candid may be forced to manufacture the materials itself, for which Candid currently does not have the capabilities or resources, or enter into an agreement with another third-party, which Candid may not be able to do on commercially reasonable terms, if at all. In particular, any replacement of Candid's manufacturers could require significant effort and expertise because there may be a limited number of qualified replacements. In some cases, the technical skills or technology required to manufacture Candid's drug candidates

may be unique or proprietary to the original manufacturer and Candid may have difficulty transferring such skills or technology to another third-party and a feasible alternative may not exist. Further, analytical methods required for manufacturing may be difficult to transfer between CDMOs and the failure to properly transfer or validate these methods may impact Candid's development timelines. If Candid is required to or voluntarily changes manufacturers for any reason, Candid will be required to verify that the new manufacturer maintains facilities and procedures that comply with quality standards and with all applicable regulations and guidelines and that the product produced is equivalent to that produced in a prior facility. The delays associated with the verification of a new manufacturer and equivalent product could negatively affect Candid's ability to develop drug candidates in a timely manner or within budget.

Certain Chinese biotechnology companies, CROs and contract development and manufacturing organizations may become subject to trade restrictions, sanctions, other regulatory requirements, or proposed legislation by the U.S. government, which could potentially impact services available for Candid's research and development or Candid's ability to secure the materials it needs for its drug candidates. For example, on December 18, 2025, President Trump signed the National Defense Authorization Act for Fiscal Year 2026 into law, which includes the BIOSECURE Act. The BIOSECURE Act prohibits the U.S. government from procuring or obtaining biotechnology equipment or services produced or provided by a "biotechnology company of concern" ("BCC"); entering into, extending, or renewing government contracts with an entity that directly or indirectly uses biotechnology equipment or services from a BCC in performance of that federal contract; and/or issuing grants or loans to purchase, obtain, or use biotechnology equipment or services produced by a BCC. The BIOSECURE Act also prohibits U.S. government loan and grant recipients from using federal loan or grant money to enter into contracts with entities that use equipment from BCCs in the performance of any federal prime contract or subcontract. Companies designated as a BCC include those that are identified on the U.S. Department of Defense's annual List of Chinese Military Companies, also known as the 1260H List. The U.S. government also has the ability to designate entities as BCCs through a separate designation process. There is a "safe harbor" provision providing that the restrictions do not apply to equipment or services that were formerly but are no longer provided by a BCC, as well as a "grandfathering" provision providing that the prohibitions shall not apply for a five-year period to biotechnology equipment or services produced or provided under a contract or agreement entered into before the applicable effective date. Given the BIOSECURE Act, Candid may be restricted in its ability to work with certain Chinese biotechnology companies to the extent Candid would contract with, or otherwise receive funding from, the U.S. government. Such counterparties may be subject to other U.S. legislation, sanctions, trade restrictions and other foreign regulatory requirements which could increase the cost or reduce the supply of material available to Candid, delay the procurement or supply of such material or have an adverse effect on Candid's ability to secure significant commitments from governments to purchase Candid's potential therapies. Such disruption could have adverse effects on the development of Candid's drug candidates.

In addition, Candid does not have any long-term commitments or supply agreements with its CDMOs. Candid may be unable to establish any long-term supply agreements with CDMOs or to do so on acceptable terms or at all, which increases the risk of failing to timely obtain sufficient quantities of its drug candidates or such quantities at an acceptable cost.

Candid's or a third-party's failure to execute on Candid's manufacturing requirements, do so on commercially reasonable terms and timelines and comply with cGMP requirements could adversely affect Candid's business in a number of ways, including:

- inability to meet Candid's product specifications and quality requirements consistently;
- an inability to initiate or continue preclinical studies or clinical trials of Candid's drug candidates under development;
- delay in submitting regulatory applications, or receiving regulatory approvals, for Candid's drug candidates, if at all;
- loss of the cooperation of future collaborators;
- subjecting third-party manufacturing facilities or Candid's manufacturing facilities to additional inspections by regulatory authorities;
- requirements to cease development or to recall batches of Candid's drug candidates; and

- in the event of approval to market and commercialize Candid's drug candidates, an inability to meet commercial demands for Candid's product or any other future drug candidates.

In addition, Candid does not have any long-term commitments or supply agreements with any third-party manufacturers. Candid may be unable to establish any long-term supply agreements with third-party manufacturers or to do so on acceptable terms, which increases the risk of failing to timely obtain sufficient quantities of Candid's drug candidates or such quantities at an acceptable cost. Even if Candid is able to establish agreements with third-party manufacturers, reliance on third-party manufacturers entails additional risks, including:

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

Any performance failure on the part of Candid's existing or future manufacturers could delay clinical development or regulatory approval, and any related remedial measures may be costly or time consuming to implement. Candid does not currently have arrangements in place for redundant supply or a second source for all required raw materials used in the manufacture of Candid's drug candidates. If Candid's existing or future third-party manufacturers cannot perform as agreed, Candid may be required to replace such manufacturers and Candid may be unable to replace them on a timely basis or at all, which would have a material adverse impact on Candid's financial position.

Changes in methods of drug candidate manufacturing may result in additional costs or delays.

As Candid's drug candidates progress through preclinical to late-stage clinical trials to regulatory approval and commercialization, it is common that various aspects of the development program, such as manufacturing methods, are altered along the way in an effort to optimize yield or manufacturing batch size, change drug product dosage form, 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 Candid's drug candidates to perform differently, could impair Candid's ability to utilize or interpret any existing data, and affect the results of planned clinical trials or other future clinical trials conducted with the altered materials. Such changes 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 Candid's drug candidates and jeopardize Candid's ability to commercialize its drug candidates and generate revenue.

If Candid's third-party suppliers use hazardous, non-hazardous, biological or other materials in a manner that causes injury or violates applicable law, Candid may be liable for damages.

Candid's research and development activities involve the controlled use of potentially hazardous substances, including chemical and biological materials. Candid and its suppliers are subject to federal, state and local laws and regulations in the United States and by foreign governmental authorities governing the use, manufacture, storage, handling and disposal of medical and hazardous materials. Although Candid believes that Candid and its suppliers' procedures for using, handling, storing and disposing of these materials comply with legally prescribed standards, neither Candid nor its suppliers can completely eliminate the risk of contamination or injury resulting from medical or hazardous materials. As a result of any such contamination or injury, Candid may incur liability, or local, city, state or federal authorities may curtail the use of these materials and interrupt Candid's business operations. In the event of an accident, Candid could be held liable for damages or penalized with fines, and the liability could exceed Candid's resources. Candid does not have any insurance for liabilities arising from medical or hazardous materials. Compliance with applicable environmental laws and regulations is expensive, and current or future environmental regulations may impair Candid's research, development and production efforts, which could harm Candid's business, prospects, financial condition or results of operations.

Risks Related to Commercialization of Candid's Drug Candidates

Candid faces significant competition from other biotechnology and pharmaceutical companies, and Candid's operating results will suffer if Candid fails to compete effectively.

The biopharmaceutical industry in general, and the autoimmune field in particular, is characterized by rapidly advancing and changing technologies, intense competition and a strong emphasis on intellectual property. Candid faces substantial and increasing competition from large and specialty biopharmaceutical companies, as well as public and private medical research institutions and governmental agencies. A large number of companies are advancing development programs in autoimmune diseases, including myasthenia gravis and SARD-ILD.

Candid's competition for B-cell depletion includes monoclonal antibodies ("mAbs"), bispecifics which include TCEs, IgG degraders, and various forms of cell therapy from several pharmaceutical and biotechnology companies, including AbbVie Inc., Amgen, Argenx, Artiva Biotherapeutics, Inc., Biohaven Ltd., Bristol Myers Squibb Company, Cabaletta Bio, Inc., Cartesian Therapeutics, Inc., Cullinan Therapeutics, Inc., Dianthus Therapeutics, Inc., Fate Therapeutics, Inc., GSK plc, Immunovant, Inc., Johnson & Johnson, Kyverna Therapeutics, Inc., Merck & Co., Inc., Otsuka Pharmaceutical, Ouro Medicines, Pfizer Inc., Roche Holding AG, among others.

Candid's competitors will also include companies that are or will be developing other targeted therapies, including small molecule or antibodies for the same indications that Candid is targeting. It is also possible that new competitors, including those developing similar drugs or alternatives to immunotherapy drug candidates, may emerge and acquire significant market share.

Many of Candid's current or potential competitors have significantly greater financial, technical and human resources, as well as more expertise in research and development, manufacturing, preclinical testing, conducting clinical studies and trials and commercializing and marketing approved drugs. Mergers and acquisitions in the biopharmaceutical industry may result in even greater resource concentration among a smaller number of competitors.

Established pharmaceutical companies may invest heavily to accelerate discovery and development of novel compounds or to in-license novel compounds that could make Candid's drug candidates less competitive. In addition, any new product that competes with an approved product must demonstrate compelling advantages in efficacy, convenience, tolerability and safety in order to overcome price competition and to be commercially successful. Accordingly, Candid's competitors may succeed in obtaining patent protection, discovering, developing, receiving regulatory and marketing approval for or commercializing drugs before Candid does, which would have an adverse impact on Candid's business and results of operations. Smaller or early-stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large, established companies.

Candid currently has no marketing and sales organization and has no experience as a company in commercializing drugs, and may have to invest significant resources to develop these capabilities. If Candid is unable to establish marketing and sales capabilities or enter into agreements with third parties to market and sell its drugs, Candid may not be able to generate product revenue.

Candid has no internal sales, marketing or distribution capabilities, nor has Candid commercialized a product. If any of Candid's drug candidates ultimately receives regulatory approval, Candid must build a marketing and sales organization with technical expertise and supporting distribution capabilities to commercialize each such product in major markets, which will be expensive and time consuming, or collaborate with third parties that have direct sales forces and established distribution systems, either to augment Candid's own sales force and distribution systems or in lieu of Candid's own sales force and distribution systems. Candid has no prior experience as a company in the marketing, sale and distribution of biopharmaceutical drugs and there are significant risks involved in building and managing a sales organization, including Candid's ability to hire, retain and incentivize qualified individuals, generate sufficient sales leads, provide adequate training to sales and marketing personnel and effectively manage a geographically dispersed sales and marketing team. Any failure or delay in the development of Candid's internal sales, marketing and distribution capabilities would adversely impact the commercialization of these drugs. Candid may not be able to enter into collaborations or hire consultants or external service providers to assist Candid in sales, marketing and distribution functions on acceptable financial terms, or at all. In addition, Candid's product revenues and Candid's profitability, if any, may be lower if Candid relies on third parties for these functions than if Candid

were to market, sell and distribute any drugs that Candid develops itself. Candid will likely have little control over such third parties, and any of them may fail to devote the necessary resources and attention to sell and market Candid's drugs effectively. If Candid is not successful in commercializing its drugs, either on its own or through arrangements with one or more third parties, Candid may not be able to generate any future product revenue and Candid would incur significant additional losses.

Coverage and reimbursement may be limited or unavailable in certain market segments for Candid's drug candidates, which could make it difficult for Candid to sell its drug candidates, if approved, profitably.

Successful sales of Candid's drug candidates, if approved, depend on the availability of coverage and adequate reimbursement from third-party payors, including governmental healthcare programs, such as Medicare and Medicaid and comparable foreign programs, managed care organizations and commercial payors, among others. Significant uncertainty exists as to the coverage and reimbursement status of any drug candidates for which Candid obtains regulatory approval. In addition, because Candid's drug candidates represent new approaches to the treatment of autoimmune disease, Candid cannot accurately estimate the potential revenue from its drug candidates. For drugs administered under the supervision of a physician, obtaining coverage and adequate reimbursement may also be particularly difficult because of the higher prices often associated with such drugs. Patients who are provided medical treatment for their conditions generally rely on third-party payors to reimburse all or part of the costs associated with their treatment. Obtaining coverage and adequate reimbursement from third-party payors is critical to new product acceptance.

Third-party payors decide which drugs and treatments they will cover and the amount of reimbursement. Reimbursement by a third-party payor may depend upon a number of factors, including, but not limited to, the third-party payor's determination that use of a product is:

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

Obtaining coverage and reimbursement of a product from a government or other third-party payor is a time-consuming and costly process that could require Candid to provide to the payor supporting scientific, clinical and cost-effectiveness data for the use of its drugs. Even if Candid obtains coverage for a given product, if the resulting reimbursement rates are insufficient, hospitals may not approve Candid's product for use in their facility or third-party payors may require co-payments that patients find unacceptably high. Patients are unlikely to use Candid's drug candidates unless coverage is provided and reimbursement is adequate to cover a significant portion of the cost of Candid's drug candidates. Separate reimbursement for the product itself may or may not be available. Instead, the hospital or administering physician may be reimbursed only for providing the treatment or procedure in which Candid's product is used. Further, from time to time, the CMS revises the reimbursement systems used to reimburse healthcare providers, including the Medicare Physician Fee Schedule and Outpatient Prospective Payment System, which may result in reduced Medicare payments. In some cases, private third-party payors rely on all or portions of Medicare payment systems to determine payment rates. Changes to government healthcare programs that reduce payments under these programs may negatively impact payments from private third-party payors, and reduce the willingness of physicians to use Candid's drug candidates.

In the United States, no uniform policy of coverage and reimbursement for drugs exists among third-party payors. Therefore, coverage and reimbursement for drugs can differ significantly from payor to payor. Further, one payor's determination to provide coverage for a product does not assure that other payors will also provide coverage for the product. Additionally, any companion diagnostic test that Candid develops will be required to obtain coverage and reimbursement separate and apart from the coverage and reimbursement Candid seeks for its drug candidates, if approved. Adequate third-party reimbursement may not be available to enable Candid to maintain price levels sufficient to realize an appropriate return on its investment in product development.

Further, the United States government and foreign governments have continued implementing cost-containment measures. For example, the U.S. Department of Health and Human Services ("HHS") imposes rebates on many

Medicare Part B and Medicare Part D products to penalize price increases that outpace inflation on an annual basis. HHS has also been empowered to negotiate the price of certain single-source biologics that have been on the market for at least 11 years covered under Medicare as part of the Medicare Drug Price Negotiation Program. Each year up to 20 products will be selected by HHS for the Medicare Drug Price Negotiation Program. Products subject to the Medicare Drug Price Negotiation Program are expected to experience a significant reduction in reimbursement from the Medicare program on a per unit basis.

Candid intends to seek approval to market its drug candidates in both the United States and in selected foreign jurisdictions. If Candid obtains approval in one or more foreign jurisdictions for its drug candidates, Candid will be subject to rules and regulations in those jurisdictions. Outside the United States, reimbursement and healthcare payment systems vary significantly by country, and many countries have instituted price ceilings on specific drugs and therapies. In some foreign countries, particularly those in Europe, the pricing of biologics is subject to governmental control. In these countries, pricing negotiations with governmental authorities can take considerable time after obtaining regulatory approval of a drug candidate. The EU provides options for EU Member States to restrict the range of medicinal drugs for which their national health insurance systems provide reimbursement and to control the prices of medicinal drugs for human use. An EU Member State may approve a specific price for the medicinal product, it may refuse to reimburse a product at the price set by the manufacturer or it may instead adopt a system of direct or indirect controls on the profitability of the company placing the medicinal product on the market. Many EU Member States also periodically review their reimbursement procedures for medicinal drugs, which could have an adverse impact on reimbursement status. Moreover, in order to obtain reimbursement for its drugs in some European countries, including some EU Member States, Candid may be required to compile additional data comparing the cost-effectiveness of its drugs to other available therapies. This HTA of medicinal drugs is becoming an increasingly common part of the pricing and reimbursement procedures in some EU Member States, including those representing the larger markets. The HTA process is the procedure to assess the therapeutic, economic and societal impact of a given medicinal product in the national healthcare systems of the individual country. The outcome of an HTA will often influence the pricing and reimbursement status granted to these medicinal drugs by the competent authorities of individual EU Member States. The extent to which pricing and reimbursement decisions are influenced by the HTA of the specific medicinal product currently varies between EU Member States. Since January 12, 2025, the clinical elements of HTA must be assessed via Joint Clinical Assessment at EU level—initially for all new oncology medicines and ATMPs, expanded to orphan medicines in 2028, and covering all remaining centrally authorized medicines from 2030. The downward pressure on healthcare costs has become very intense. As a result, increasingly high barriers are being erected to the entry of new drugs. In addition, in some countries, cross-border imports from low-priced markets exert a commercial pressure on pricing within a country. Even if a pharmaceutical product obtains a marketing authorization in the EU, there can be no assurance that reimbursement for such product will be secured on a timely basis or at all.

The marketability of any drug candidates for which Candid receives regulatory approval for commercial sale may suffer if government and other third-party payors fail to provide coverage and adequate reimbursement. Candid expects downward pressure on pharmaceutical pricing to continue. Further, coverage policies and third-party reimbursement rates may change at any time. Even if favorable coverage and reimbursement status is attained for one or more drugs for which Candid receives regulatory approval, less favorable coverage policies and reimbursement rates may be implemented in the future.

Product liability lawsuits against Candid could cause Candid to incur substantial liabilities and could limit commercialization of any drug candidate that Candid may develop.

The use of Candid's drug candidates in clinical trials and the sale of any drugs for which Candid obtains regulatory approval exposes Candid to the risk of product liability claims. Product liability claims might be brought against Candid by consumers, healthcare professionals, pharmaceutical companies or others selling or otherwise coming into contact with Candid's drugs. On occasion, large judgments have been awarded in class action lawsuits based on drugs that had unanticipated adverse effects. If Candid cannot successfully defend against product liability claims, Candid could incur substantial liability and costs. In addition, regardless of merit or eventual outcome, product liability claims may result in:

- impairment of Candid's business reputation and significant negative media attention;

- withdrawal of participants from Candid's clinical trials;
- significant costs to defend the related litigation;
- distraction of management's attention from Candid's primary business;
- substantial monetary awards to patients or other claimants;
- inability to commercialize Candid's drug candidates;
- product recalls, withdrawals or labeling, marketing or promotional restrictions;
- decreased demand for Candid's drug candidates, if approved for commercial sale; and
- loss of revenue.

Risks Related to Government Regulation

The regulatory approval process of the FDA and comparable foreign regulatory authorities are lengthy, time-consuming and inherently unpredictable, and even if Candid completes the necessary clinical trials, Candid cannot predict when, or if, it will obtain regulatory approval for any of its drug candidates, and any such regulatory approval may be for a more narrow indication than Candid seeks.

The research, testing, manufacturing, labeling, storage, record-keeping, approval, selling, import, export, marketing, advertising, promotion, and distribution of drugs, including biologics, are subject to extensive regulation by the FDA and comparable foreign regulatory authorities in and outside the United States. Prior to seeking approval to commercialize a drug candidate in the United States or abroad, Candid must demonstrate with substantial evidence from adequate and well-controlled clinical trials, and to the satisfaction of the FDA or comparable foreign regulatory authorities, that such drug candidates are safe, pure and potent, or effective, for their intended uses. Results from nonclinical studies and clinical trials can be interpreted in different ways. Even if Candid believes available nonclinical or clinical data support the safety purity and potency, or efficacy, of its drug candidates, such data may not be sufficient to obtain approval from the FDA and comparable foreign regulatory authorities. The FDA or comparable foreign regulatory authorities, as the case may be, may also require Candid to conduct additional preclinical studies or clinical trials for its drug candidates either prior to or post-approval, or may object to elements of Candid's clinical development program.

Candid is not permitted to market any biological drug product in the United States or outside the United States until Candid receives approval of a BLA from the FDA or similar approvals from comparable foreign regulatory authorities. Candid has not previously submitted a BLA to the FDA, or similar approval filings to comparable foreign authorities. A BLA and similar applications must include extensive preclinical and clinical data and supporting information to establish the drug candidate's safety, purity and potency, or effectiveness for each intended indication. The BLA and similar applications must also include significant information regarding the chemistry, manufacturing and controls for the product, including with respect to chain of identity and chain of custody of the product. The process of obtaining such regulatory approval is expensive, often takes many years following the commencement of clinical trials and can vary substantially based upon the type, complexity and novelty of the drug candidates involved, as well as the target indications and patient population. Approval policies or regulations may change, and the FDA and comparable regulatory authorities have substantial discretion in the approval process, including the ability to delay, limit or deny approval of a drug candidate for many reasons. Despite the time and expense invested in clinical development of drug candidates, regulatory approval of a drug candidate is never guaranteed. Of the large number of drugs in development, only a small percentage successfully complete the FDA or foreign regulatory approval processes and are commercialized.

Candid's drug candidates could fail to receive regulatory approval from the FDA or a comparable foreign regulatory authority for many reasons, including:

- disagreement with the design or conduct of Candid's clinical trials;
- failure to demonstrate to the satisfaction of regulatory authorities that Candid's drug candidates are safe, pure and potent, or effective for any proposed indication;
- negative or ambiguous results from Candid's clinical trials or results may not meet the level of statistical significance or persuasiveness required by the FDA or comparable foreign regulatory agencies for approval;

- serious and unexpected drug-related side effects may be experienced by participants in Candid's clinical trials or by individuals using drugs similar to Candid's drug candidates;
- the population studied in the clinical trial may not be sufficiently broad or representative to assure safety in the full population for which Candid seeks approval;
- such authorities may not accept clinical data from trials that are conducted at clinical facilities or in countries where the standard of care is potentially different from that of their own country;
- Candid may be unable to demonstrate that a drug candidate's clinical and other benefits outweigh its safety risks;
- disagreement with Candid's interpretation of data from preclinical studies or clinical trials;
- the insufficiency of data collected from clinical trials of Candid's drug candidates to support the submission and filing of a BLA or other submission or to obtain regulatory approval;
- such authorities may disagree with Candid regarding the formulation, labeling and/or the product specifications of Candid's drug candidates;
- such authorities may find deficiencies in the manufacturing processes or facilities of the third-party manufacturers with which Candid contracts for clinical and commercial supplies; or
- changes in the approval policies or regulations that render Candid's preclinical and clinical data insufficient for approval.

This lengthy approval process as well as the unpredictability of future clinical trial results may result in Candid failing to obtain regulatory approval to market its drug candidates, which would significantly harm Candid's business, results of operations and prospects. The FDA or a comparable foreign regulatory authority may require more information, including additional preclinical or clinical data to support approval, which may delay or prevent approval and Candid's commercialization plans, or Candid may decide to abandon the development program. If Candid were to obtain approval, regulatory authorities may approve any of Candid's drug candidates for fewer or more limited indications than Candid requests (including failing to approve the most commercially promising indications), may grant approval contingent on the performance of costly post-marketing clinical studies, or may approve a drug candidate with a label that does not include the labeling claims necessary or desirable for the successful commercialization of that drug candidate. Even if Candid's drug candidates meet their safety and efficacy endpoints in clinical trials, such results may not enable Candid to obtain regulatory approval.

In addition, Candid may experience delays or rejections based upon additional government regulation from future legislation or administrative action, or changes in regulatory authority policy during the period of product development, clinical trials and the review process. Accordingly, the regulatory approval pathway for Candid's drug candidates may be uncertain, complex, expensive and lengthy, and approval may not be obtained. For instance, the regulatory landscape related to clinical trials in the EU recently evolved. The EU Clinical Trials Regulation No. 536/2014 ("CTR"), which was adopted in April 2014 and repeals the EU Clinical Trials Directive 2001/20 ("CTD"), became applicable on January 31, 2022. The CTR foresaw a three-year transition period that ended on January 31, 2025. Since this date, all new or ongoing trials are subject to the provisions of the CTR. Compliance with the CTR requirements by Candid and its third-party service providers, such as CROs, may impact Candid's development plans.

In addition, on December 11, 2025, the European Commission, the Parliament and the European Council reached a political agreement on a comprehensive overhaul of EU pharmaceutical legislation (the "Pharma Package"). The reform has been under negotiation since the European Commission submitted its proposal in April 2023. This package—comprised of a new directive and regulation to replace existing legislation—aims to modernize the EU framework.

The political agreement is still subject to formal approval by the European Parliament and Council. If approved in the form proposed, the Pharma Package will, among other changes, reduce the baseline market protection period by one year, with limited opportunities for extensions; and expand the Bolar exemption. A decrease in market exclusivity opportunities for our product candidates in the EU, combined with the expanded Bolar exemption, could open them to generic or biosimilar competition earlier than under the current regime, potentially impacting reimbursement status and the commercial prospects of our product candidates. The revisions may have a significant impact on the pharmaceutical industry and Candid's business in the long term.

Obtaining and maintaining regulatory approval of Candid's drug candidates in one jurisdiction does not mean that Candid will be successful in obtaining regulatory approval of its drug candidates in other jurisdictions.

Obtaining and maintaining regulatory approval of Candid's drug candidates in one jurisdiction does not guarantee that Candid will be able to obtain or maintain regulatory approval in any other jurisdiction, while 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 grants regulatory approval of a drug candidate, comparable foreign regulatory authorities in foreign jurisdictions must also approve the manufacturing, marketing and promotion of the drug candidate in those countries. Approval procedures vary among jurisdictions and can involve requirements and administrative review periods different from, and greater than, those in the United States, including additional preclinical studies or clinical trials as clinical studies conducted in one jurisdiction may not be accepted by regulatory authorities in other jurisdictions. In many jurisdictions outside the United States, a drug candidate must be approved for reimbursement before it can be approved for sale in that jurisdiction. In some cases, the price that Candid intends to charge for its drugs is also subject to approval.

Candid may also submit marketing applications in other countries. Regulatory authorities in jurisdictions outside of the United States have requirements for approval of drug candidates with which Candid must comply prior to marketing in those jurisdictions. Obtaining foreign regulatory approvals and compliance with foreign regulatory requirements could result in significant delays, difficulties and costs for Candid and could delay or prevent the introduction of Candid's drugs in certain countries. If Candid fails to comply with the regulatory requirements in international markets and/or receive applicable marketing approvals, Candid's target market will be reduced and Candid's ability to realize the full market potential of its drug candidates will be harmed.

Even if Candid receives regulatory approval of its drug candidates, Candid will be subject to ongoing regulatory obligations and continued regulatory review, which may result in significant additional expense and Candid may be subject to penalties if it fails to comply with regulatory requirements or experiences unanticipated problems with its drug candidates.

Any regulatory approvals that Candid receives for its drug candidates will require surveillance to monitor the safety and efficacy of the drug candidate. The FDA may also require a REMS in order to approve Candid's drug candidates, which could entail requirements for a medication guide, physician communication plans or additional elements to ensure safe use, such as restricted distribution methods, patient registries and other risk minimization tools. In addition, if the FDA or a comparable foreign regulatory authority approves Candid's drug candidates, the manufacturing processes, labeling, packaging, distribution, adverse event reporting, storage, advertising, promotion, import, export and recordkeeping for Candid's drug candidates 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 cGMPs and GCPs for any clinical trials that Candid conducts. As such, Candid and its CDMOs will be subject to continual review and inspections to assess compliance with cGMP and adherence to commitments made in any BLA, other marketing applications and previous responses to inspectional observations. Accordingly, Candid and others with whom Candid works must continue to expend time, money and effort in all areas of regulatory compliance, including manufacturing, production and quality control. In addition, the FDA or comparable foreign regulatory authorities could require Candid to conduct another study to obtain additional safety or biomarker information.

Further, Candid will be required to comply with FDA and comparable foreign regulatory authorities' promotion and advertising rules, which include, among others, standards for direct-to-consumer advertising, restrictions on promoting drugs for uses or in patient populations that are not described in the product's approved uses (known as "off-label use"), limitations on industry-sponsored scientific and educational activities and requirements for promotional activities involving the internet and social media. Although the FDA and comparable foreign regulatory authorities do not regulate a physician's choice of drug treatment made in the physician's independent medical judgment, they do restrict promotional communications from companies or their sales forces with respect to off-label uses of drugs for which marketing clearance has not been issued. Later discovery of previously unknown problems with Candid's drug candidates, including adverse events of unanticipated severity or frequency, or with Candid's third-party suppliers or manufacturing processes, or failure to comply with regulatory requirements, may result in revisions to the approved labeling to add new safety information; imposition of post-market studies or clinical studies

to assess new safety risks; or imposition of distribution restrictions or other restrictions under a REMS or similar foreign program. Other potential consequences include, among other things:

- restrictions on the marketing or manufacturing of Candid's drug candidates, withdrawal of the product from the market or voluntary or mandatory product recalls;
- fines, untitled letters, warning letters or holds on clinical trials;
- refusal by the FDA or comparable foreign regulatory authority to approve pending applications or supplements to approved applications submitted by Candid or suspension or revocation of license approvals;
- product seizure or detention, or refusal to permit the import or export of Candid's drug candidates; and
- injunctions or the imposition of civil or criminal penalties.

FDA and comparable foreign regulatory authorities' policies may change and additional government regulations may be enacted that could prevent, limit or delay regulatory approval of Candid's drug candidates. Candid cannot predict the likelihood, nature or extent of government regulation that may arise from future legislation or administrative or executive action, either in the United States or abroad. If Candid is slow or unable to adapt to changes in existing requirements or the adoption of new requirements or policies, or if Candid is not able to maintain regulatory compliance, Candid may lose any regulatory approval that it may have obtained and may not achieve or sustain profitability.

Candid's relationships with customers, physicians, other healthcare professionals and third-party payors are subject, directly or indirectly, to federal, state, local and foreign healthcare fraud and abuse laws, false claims laws, transparency laws, health information privacy and security laws and other healthcare laws and regulations. If Candid or its employees, independent contractors, consultants, commercial partners and vendors violate these laws, Candid could face substantial penalties.

Healthcare professionals and third-party payors in the United States and elsewhere will play a primary role in the recommendation and prescription of any drug candidates for which Candid obtains marketing approval. Candid's current and future arrangements with healthcare professionals, third-party payors, customers and others may expose Candid to broadly applicable fraud and abuse and other healthcare laws and regulations. These laws may impact, among other things, Candid's clinical research program, as well as Candid's proposed and future sales, marketing and education programs. In particular, the promotion, sales and marketing of healthcare items and services is subject to extensive laws and regulations designed 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 and other business arrangements. Candid may also be subject to federal, state and foreign laws governing the privacy and security of identifiable patient information. The U.S. healthcare laws and regulations that may affect Candid's ability to operate include, but are not limited to:

- the federal Anti-Kickback Statute, which prohibits, among other things, any person or entity from knowingly and willfully, offering, paying, soliciting or receiving any remuneration, directly or indirectly, overtly or covertly, in cash or in kind, to induce, or in return for, the purchasing, leasing, ordering or arranging for the purchase, lease, or order of any item or service reimbursable, in whole or in part, under Medicare, Medicaid or other federal healthcare programs. The term "remuneration" has been broadly interpreted to include anything of value. Although there are a number of statutory exceptions and regulatory safe harbors protecting some common activities from prosecution, the exceptions and safe harbors are drawn narrowly and require strict compliance in order to offer protection. Practices that may be alleged to be intended to induce prescribing, purchases or recommendations, including any payments of more than fair market value, may be subject to scrutiny if they do not qualify for an exception or safe harbor. In addition, a person or entity does not need to have actual knowledge of this statute or specific intent to violate it in order to have committed a violation;
- federal civil and criminal false claims laws, including the federal civil False Claims Act ("FCA") and civil monetary penalties laws, which prohibit, among other things, individuals or entities from knowingly presenting, or causing to be presented, claims for payment or approval from Medicare, Medicaid, or other federal government programs that are false or fraudulent or knowingly making a false statement to improperly avoid, decrease or conceal an obligation to pay money to the federal government, including federal healthcare programs. In addition, the government may assert that a claim including items or services

resulting from a violation of the federal Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the FCA. Private individuals, commonly known as “whistleblowers,” can bring federal civil FCA qui tam actions, on behalf of the government and such individuals and may share in amounts paid by the entity to the government in recovery or settlement;

- the federal Health Insurance Portability and Accountability Act of 1996 (“HIPAA”) which created new federal criminal statutes that prohibit knowingly and willfully executing, or attempting to execute, a scheme to defraud any healthcare benefit program or obtain, by means of false or fraudulent pretenses, representations, or promises, any of the money or property owned by, or under the custody or control of, any healthcare benefit program, including private third-party payors and knowingly and willfully falsifying, concealing or covering up by any trick, scheme or device, a material fact or making any materially false, fictitious or fraudulent statements in connection with the delivery of, or payment for, healthcare benefits, items or services. Similar to the federal Anti-Kickback Statute, a person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation;
- HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act (“HITECH”), and their respective implementing regulations, which impose requirements on covered entities, including certain healthcare providers, health plans and healthcare clearinghouses, and their respective business associates that perform services for them that involve creating, receiving maintaining or transmitting protected health information (“PHI”) and their subcontractors that use, disclose, access, or otherwise process PHI, relating to the privacy, security and transmission of individually identifiable health information. Penalties for HIPAA violations can be significant. They vary greatly depending on the nature of violation, and could include civil monetary or criminal penalties. HIPAA also authorizes state attorneys general to file suit under HIPAA on behalf of state residents. Courts can award damages, costs and attorneys’ fees related to violations of HIPAA in such cases. While HIPAA does not create a private right of action allowing individuals to sue Candid in civil court for HIPAA violations, its standards have been used as the basis for a duty of care claim in state civil suits such as those for negligence or recklessness in the misuse or breach of PHI;
- the federal Physician Payments Sunshine Act and its implementing regulations require that certain manufacturers of drugs, devices, biological and medical supplies for which payment is available under Medicare, Medicaid or the Children’s Health Insurance Program, with certain exceptions, annually report information to CMS related to certain payments or other transfers of value made or distributed to physicians (defined to include doctors, dentists, optometrists, podiatrists and chiropractors), certain non-physician practitioners (physician assistants, nurse practitioners, clinical nurse specialists, certified registered nurse anesthetists, anesthesiologist assistants, and certified nurse midwives) and teaching hospitals, or to entities or individuals at the request of, or designated on behalf of, the physicians and teaching hospitals and to report annually certain ownership and investment interests held by physicians and their immediate family members; and
- federal consumer protection and unfair competition laws, which broadly regulate marketplace activities and activities that potentially harm consumers.

Also, many states have similar fraud and abuse statutes or regulations similar to the aforementioned federal laws that apply to items and services reimbursed under Medicaid and other state programs, or, in several states, apply regardless of the payor. In order to manufacture or distribute drugs commercially, Candid must comply with state laws that require the registration of manufacturers and wholesale distributors of drug and biological drugs in a state, including, in certain states, manufacturers and distributors who ship drugs into the state even if such manufacturers or distributors have no place of business within the state. Some states also impose requirements on manufacturers and distributors to establish the pedigree of product in the chain of distribution, including some states that require manufacturers and others to adopt new technology capable of tracking and tracing product as it moves through the distribution chain. Several states and local jurisdictions have enacted legislation requiring pharmaceutical and biotechnology companies to establish marketing compliance programs and comply with the pharmaceutical industry’s voluntary compliance guidelines and the relevant compliance guidance promulgated by the federal government, file periodic reports with the state, make periodic public disclosures on sales, marketing, pricing, clinical trials and other activities and/or register their sales representatives, as well as to prohibit pharmacies and other healthcare entities from providing certain physician prescribing data to pharmaceutical and biotechnology

companies for use in sales and marketing, and to prohibit certain other sales and marketing practices.

Candid may also be subject to foreign equivalents of each of the healthcare laws described above. For example, in the EU, interactions between pharmaceutical companies and healthcare professionals and healthcare organizations are also governed by strict laws, regulations, industry self-regulation codes of conduct and physicians' codes of professional conduct both at the EU level and in the individual EU Member States. The provision of benefits or advantages to physicians to induce or encourage the prescription, recommendation, endorsement, purchase, supply, order or use of pharmaceutical drugs is prohibited in the EU. Relationships with healthcare professionals and associations are subject to stringent anti-gift statutes and anti-bribery laws, the scope of which differs across the EU. Failure to comply with these requirements could result in reputational risk, public reprimands, administrative penalties, fines or imprisonment.

Because of the breadth of these laws and the narrowness of the statutory exceptions and regulatory safe harbors available, it is possible that some of Candid's business activities, including certain arrangements Candid has with physicians who are paid in the form of stock or stock options for services provided to Candid, could be subject to challenge under one or more of such laws. If Candid or its employees, independent contractors, consultants, commercial partners and vendors violate these laws, Candid may be subject to investigations, enforcement actions and/or significant penalties. If any such actions are instituted against Candid, and Candid is not successful in defending itself or asserting its rights, those actions could have a significant impact on Candid's business, including the imposition of significant civil, criminal and administrative penalties, damages, disgorgement, monetary fines, imprisonment, possible exclusion from participation in Medicare, Medicaid and other federal healthcare programs or comparable foreign programs, contractual damages, reputational harm, diminished profits and future earnings, additional reporting requirements and/or oversight if Candid becomes subject to a corporate integrity agreement or similar agreement to resolve allegations of non-compliance with these laws, and curtailment of Candid's operations, any of which could adversely affect Candid's ability to operate its business and its results of operations. In addition, the approval and commercialization of any of Candid's drug candidates outside the United States will also likely subject Candid to foreign equivalents of the healthcare laws mentioned above, among other foreign laws.

Candid expects the drug candidates it develops will be regulated as biologics, and therefore they may be subject to competition sooner than anticipated.

The BPCIA was enacted as part of the Patient Protection Affordable Care Act of 2010, as amended by the Health Care and Education Reconciliation Act (collectively, the "Affordable Care Act"), to establish an abbreviated pathway for the approval of biosimilar and interchangeable biological drugs. The regulatory pathway establishes legal authority for the FDA to review and approve biosimilar biologics, including the possible designation of a biosimilar as "interchangeable" based on its similarity to an approved biologic. Under the BPCIA, an application for a biosimilar product cannot be approved by the FDA until 12 years after the reference product was approved under a BLA. The law is complex and is still being interpreted and implemented by the FDA. As a result, its ultimate impact, implementation and meaning are subject to uncertainty. While it is uncertain when processes intended to implement BPCIA may be fully adopted by the FDA, any of these processes could have a material adverse effect on the future commercial prospects for Candid's biological drugs.

Candid believes that any drug candidate it develops that is approved in the United States as a biological product under a BLA, if any, should qualify for the 12-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 the subject drug candidates to be reference drugs for competing drugs, potentially creating the opportunity for generic competition sooner than anticipated. Moreover, the extent to which a biosimilar, once approved, will be substituted for any one of the reference drugs in a way that is similar to traditional generic substitution for non-biological drugs is not yet clear, and will depend on a number of marketplace and regulatory factors that are still developing.

In the EU, there is a special regime for biosimilars, or biological medicinal drugs that are similar to a reference medicinal product but that do not meet the definition of a generic medicinal product. For such drugs, the results of appropriate preclinical or clinical trials must be provided in support of a Marketing Authorization Application ("MAA"). Guidelines from the EMA detail the type of quantity of supplementary data to be provided for different types of biological product. In addition, the approval of a biologic product biosimilar to one of Candid's drugs could have a material adverse impact on Candid's business as it may be significantly less costly to bring to market and may be priced significantly lower than Candid's drugs.

Even if Candid obtains regulatory approval of its drug candidates, the drugs may not gain market acceptance among physicians, patients, hospitals, rheumatology clinics and others in the medical community.

The use of TCEs as a potential autoimmune disease treatment may not become broadly accepted by physicians, patients, hospitals, rheumatology clinics and others in the medical community. Factors that will influence whether Candid's drug candidates are accepted in the market include:

- the clinical indications for which Candid's drug candidates are approved;
- physicians, hospitals, rheumatology clinics and patients considering Candid's drug candidates as a safe and effective treatment;
- the potential and perceived advantages of Candid's drug candidates over alternative treatments;
- the incidence and severity of any side effects;
- product labeling or product insert requirements of the FDA or comparable foreign regulatory authorities;
- limitations or warnings contained in the labeling approved by the FDA or comparable foreign regulatory authorities;
- the timing of market introduction of Candid's drug candidates as well as competitive drugs;
- the cost of treatment in relation to alternative treatments;
- Candid's pricing and the availability of coverage and adequate reimbursement by third-party payors, including government authorities;
- the willingness of patients to pay out-of-pocket in the absence of coverage and adequate reimbursement by third-party payors, including government authorities;
- relative convenience and ease of administration, including as compared to alternative treatments and competitive therapies; and
- the effectiveness of Candid's sales and marketing efforts.

If Candid's drug candidates are approved but fail to achieve market acceptance among physicians, patients, hospitals, rheumatology clinics or others in the medical community, Candid will not be able to generate significant revenue. Even if Candid's drugs achieve market acceptance, Candid may not be able to maintain that market acceptance over time if new drugs or technologies are introduced that are more favorably received than Candid's drugs, are more cost effective or render Candid's drugs obsolete.

The advancement of healthcare reform in the United States may negatively impact Candid's ability to profitably sell its drug candidates, if approved.

Third-party payors, whether domestic or foreign, or governmental or commercial, are developing increasingly sophisticated methods of controlling healthcare costs. In both the United States and certain foreign jurisdictions, there have been a number of legislative and regulatory changes to the healthcare system that could impact Candid's ability to profitably sell its drug candidates, if approved. For example, in 2010 the Affordable Care Act was enacted. The Affordable Care Act and its implementing regulations substantially changed the way healthcare is financed by both governmental and private insurers.

Since its enactment, there have been executive, judicial and political challenges to certain aspects of the Affordable Care Act. For example, on July 4, 2025, the OBBBA was signed into law, which narrowed access to Affordable Care Act marketplace exchange enrollment and declined to extend the Affordable Care Act enhanced advanced premium tax credits that expired at the end of 2025, which, among other provisions in the law, are anticipated to reduce the number of Americans with health insurance. The OBBBA also is expected to reduce Medicaid spending and enrollment by implementing work requirements for some beneficiaries, capping state-directed payments, reducing federal funding, and limiting provider taxes used to fund the program. Congress is considering proposed legislation intended to further reduce healthcare costs with alternatives to replace the expired Affordable Care Act subsidies.

Other legislative changes have been proposed and adopted since the Affordable Care Act was enacted, including aggregate reductions to Medicare payments to providers, which went into effect beginning on April 1, 2013 and due to subsequent legislative amendments to the statute will stay in effect through 2032, unless additional Congressional action is taken.

The current administration is pursuing policies to reduce regulations and expenditures across government agencies including at HHS, the FDA, CMS and related agencies. These actions, presently directed by executive orders or memoranda from the Office of Management and Budget, may propose policy changes that create additional uncertainty for our business. For example, the current administration has announced agreements with several pharmaceutical companies that require the drug manufacturers to offer, through a direct-to-consumer platform (TrumpRx) U.S. patients and Medicaid programs prescription drug Most-Favored Nation pricing equal to or lower than those paid in other developed nations, with additional mandates for direct-to-patient discounts and repatriation of foreign revenues. Other recent actions, for example, include (1) directing agencies to reduce agency workforce and cut programs; (2) directing HHS and other agencies to lower prescription drug costs through a variety of initiatives; (3) imposing tariffs on imported pharmaceutical products; and (4) as part of the Make America Healthy Again Commission's Strategy Report released in September 2025, working across government agencies to increase enforcement on direct-to-consumer pharmaceutical advertising. Additionally, the current administration recently called on Congress to enact "The Great Healthcare Plan," to codify and expand Most-Favored Nation pricing, lower government subsidies to private insurance companies, increase healthcare price transparency, expand pharmaceutical drugs available for over-the-counter purchase, and enact restrictions on pharmacy benefit manager payment methodologies, among other things. These actions and policies may significantly reduce U.S. drug prices, potentially impacting manufacturers' global pricing strategies and profitability, while increasing their operational costs and compliance risks. In June 2024, the U.S. Supreme Court's *Loper Bright* decision greatly reduced judicial deference to regulatory agencies, which could increase successful legal challenges to federal regulations affecting our operations. Congress may introduce and ultimately pass health care related legislation that could impact the drug approval process and make changes to the Medicare Drug Price Negotiation Program.

Individual states in the United States have also become increasingly active in passing legislation and implementing regulations designed to control pharmaceutical product pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures and, in some cases, designed to encourage importation from other countries and bulk purchasing.

Additional state and federal healthcare reform measures likely will be adopted in the future, any of which could impact Candid's operations. Candid's revenue prospects could be affected by changes in healthcare spending and policy in the U.S. and abroad. Candid operates in a highly regulated industry and new laws, regulations or judicial decisions, or new interpretations of existing laws, regulations or decisions, related to healthcare availability, the method of delivery or payment for healthcare products and services could negatively impact Candid's business, operations and financial condition.

There have been, and likely will continue to be, legislative and regulatory proposals at the foreign, federal and state levels directed at broadening the availability of healthcare and containing or lowering the cost of healthcare. The continuing efforts of the government, insurance companies, managed care organizations and other payors of healthcare services to contain or reduce costs of healthcare and/or impose price controls may adversely affect Candid's ability to generate revenue and achieve or maintain profitability.

The advancement of healthcare reform globally may negatively impact Candid's ability to profitably sell its drug candidates, if approved.

In the EU, similar developments may affect Candid's ability to profitably commercialize its drug candidates, if approved. In addition to continuing pressure on prices and cost containment measures, legislative developments at the EU or Member State level may result in significant additional requirements or obstacles that may increase Candid's operating costs. The delivery of healthcare in the EU, including the establishment and operation of health services and the pricing and reimbursement of medicinal drugs, is almost exclusively a matter for national, rather than EU, law and policy. National governments and health service providers have different priorities and approaches to the delivery of health care and the pricing and reimbursement of drugs in that context. In general, however, the healthcare budgetary constraints in most EU Member States have resulted in restrictions on the pricing and reimbursement of medicinal drugs by relevant health service providers. Coupled with ever-increasing EU and national regulatory burdens on those wishing to develop and market drugs, this could prevent or delay marketing approval of Candid's drug candidates, restrict or regulate post-approval activities and affect Candid's ability to commercialize its drug candidates, if approved. In markets outside of the United States and EU, reimbursement and healthcare

payment systems vary significantly by country, and many countries have instituted price ceilings on specific drugs and therapies.

On January 12, 2025, Regulation (EU) 2021/2282 on Health Technology Assessment (the “HTA Regulation”) entered into application through a phased implementation. It is intended to increase cooperation among EU Member States in assessing clinical aspects of health technologies, including new medicinal products. The Regulation establishes a framework for joint clinical assessments, joint scientific consultations, and the early identification of emerging health technologies. The Regulation permits EU Member States to use common tools, methodologies, and procedures and requires them to rely on EU-level joint clinical assessment reports for the clinical components of their national HTA evaluations. EU Member States, however, remain responsible for assessing non-clinical aspects, such as economic, ethical, and social considerations, and for making pricing and reimbursement decisions at the national level. Candid cannot predict the initiatives that may be adopted in the future. The continuing efforts of the government, insurance companies, managed care organizations and other payors of healthcare services to contain or reduce costs of healthcare and/or impose price controls may adversely affect:

- the demand for Candid’s drug candidates, if Candid obtains regulatory approval;
- Candid’s ability to set a price that Candid believes is fair for its drugs;
- Candid’s ability to generate revenue and achieve or maintain profitability;
- the level of taxes that Candid is required to pay; and
- the availability of capital.

Any reduction in reimbursement from Medicare or other government programs may result in a similar reduction in payments from private payors, which may adversely affect Candid’s future profitability.

Candid and the third parties with whom Candid works are subject to stringent and evolving U.S. and foreign laws, regulations, and rules, contractual obligations, industry standards, policies and other obligations related to data privacy and security. Candid’s actual or perceived failure to comply with such obligations (or such failure by the third parties with whom Candid works) could lead to regulatory investigations or actions; litigation (including class claims) and mass arbitration demands; fines and penalties; disruptions of Candid’s business operations; reputational harm; loss of revenue or profits; and other adverse business consequences.

In the ordinary course of business, Candid collects, receives, stores, processes, generates, uses, transfers, discloses, makes accessible, protects, secures, disposes of, transmits, and shares (collectively, “processes”) personal data and other sensitive information, including proprietary and confidential business data, trade secrets, intellectual property, clinical trial data, and sensitive third-party data (collectively, “sensitive information”).

Candid’s data processing activities subject Candid to numerous data privacy and security obligations, such as various laws, regulations, guidance, industry standards, external and internal privacy and security policies, contractual requirements, and other obligations relating to data privacy and security.

In the United States, federal, state, and local governments have enacted numerous data privacy and security laws, including data breach notification laws, personal data privacy laws, consumer protection laws (e.g., Section 5 of the Federal Trade Commission Act), and other similar laws (e.g., wiretapping laws). For example, HIPAA, as amended by the HITECH, imposes specific requirements relating to the privacy, security, and transmission of individually identifiable protected health information. Additionally, numerous U.S. states have enacted comprehensive privacy laws that impose certain obligations on covered businesses, including providing specific disclosures in privacy notices and affording residents with certain rights concerning their personal data. As applicable, such rights may include the right to access, correct, or delete certain personal data, and to opt-out of certain data processing activities, such as targeted advertising, profiling, and automated decision-making. The exercise of these rights may impact Candid’s business and ability to provide Candid’s products and services. Certain states also impose stricter requirements for processing certain personal data, including sensitive information, such as conducting data privacy impact assessments. These state laws allow for statutory fines for noncompliance. For example, the CCPA, applies to personal data of consumers, business representatives, and employees who are California residents, and requires businesses subject to the CCPA to provide specific disclosures in privacy notices and respond to requests of such individuals to exercise certain privacy rights. The CCPA and other comprehensive U.S. state privacy laws exempt

some data processed in the context of clinical trials. Similar laws are being considered at the federal and local levels, and Candid expects more governmental bodies to pass similar laws in the future. These developments further complicate compliance efforts and increase legal risk and compliance costs for Candid and the third parties upon whom Candid relies.

Outside the United States, an increasing number of laws, regulations, and industry standards govern data privacy and security. For example, the European Union's General Data Protection Regulation ("EU GDPR"), the United Kingdom's GDPR ("UK GDPR"), Brazil's General Data Protection Law (Law No. 13,709/2018), and China's Personal Information Protection Law ("PIPL") impose requirements for processing personal data. For example, the PIPL requires an organization that determines the processing purposes and means to provide sufficient notice and rely on an adequate legal basis when processing personal data. In addition, the PIPL allows for fines to be assessed for noncompliance of up to RMB 50 million, or 5% of the prior year's total annual revenue.

Candid's personnel and personnel of third parties with whom Candid works use generative artificial intelligence ("AI") and/or automated machine learning technologies to perform their work and the disclosure and use of personal data in AI technologies is subject to various privacy laws and other obligations. Governments have passed and are likely to pass additional laws and regulations regulating AI and/or automated decision-making technologies. Candid's use of this technology imposes additional compliance costs and noncompliance with our relevant obligations could lead to, among other things, regulatory investigations and actions, as well as private claims. If Candid were unable to use AI and/or automated decision-making technologies, it could make Candid's business less efficient and result in competitive disadvantages.

In addition, Candid may be unable to transfer personal data from Europe, China and other jurisdictions to the United States or other countries due to data localization requirements or limitations on cross-border data flows. Europe, China and other jurisdictions have enacted laws requiring data to be localized or limiting the transfer of data (including personal data in certain instances) to other countries. In particular, the EEA and the UK have significantly restricted the transfer of personal data to the United States and other countries whose privacy laws it generally believes are inadequate. China has established a cross-border data transfer regulatory framework that requires organizations to adopt an applicable transfer mechanism for the transfer if certain threshold is reached. Other jurisdictions (including the U.S.) have in the past and may in the future adopt similarly stringent interpretations of their data localization and cross-border data transfer laws. Although there are, for example, currently various mechanisms that may be used to transfer personal data from the EEA, the UK and China to the United States in compliance with law, such as the EU's standard contractual clauses, the UK's International Data Transfer Agreement / Addendum, and the EU-U.S. Data Privacy Framework, the UK extension thereto (which allows for transfers for relevant U.S.-based organizations who self-certify compliance and participate in the Framework) and China's Standard Contract for the Cross-border Transfer of Personal Information, these mechanisms are subject to legal challenges or contain practical enforcement uncertainties, and there is no assurance that Candid can satisfy or rely on these measures to lawfully transfer personal data to the United States or other jurisdictions. If there were no lawful manner for Candid to transfer personal data from the EEA, the UK, China or other jurisdictions to the United States, or if the requirements for a legally-compliant transfer are too onerous, Candid could face significant adverse consequences, including the interruption or degradation of Candid's operations, the need to relocate part of or all of our business or data processing activities to other jurisdictions (such as Europe) at significant expense, increased exposure to regulatory actions, substantial fines and penalties, the inability to transfer data and work with partners, vendors and other third parties, and injunctions against our processing or transferring of personal data necessary to operate our business. Additionally, companies that transfer personal data out of the EEA and UK to other jurisdictions, particularly to the United States, are subject to increased scrutiny from regulators, individual litigants, and activities groups. Some European regulators have ordered certain companies to suspend or permanently cease certain transfers of personal data out of Europe for allegedly violating the GDPR's cross-border data transfer limitations. Additionally, the DOJ issued a rule entitled the Preventing Access to U.S. Sensitive Personal Data and Government-Related Data by Countries of Concern or Covered Persons, which places additional restriction on certain data transactions involving countries of concern (e.g., China, Russia, Iran) and covered individuals persons (i.e., individuals and entities who are designated as such by the U.S. Attorney General or considered "foreign persons" and are majority owned by, organized under the laws of, a primary resident in, or a contractor of, a covered person or country of concern, as applicable) that impacts certain business activities such as vendor engagements, sale or

sharing of data, employment of certain individuals, and investor agreements. Violations of the rule could lead to significant civil and criminal fines and penalties. The rule applies regardless of whether data is anonymized, key-coded, pseudonymized, de-identified or encrypted, which presents particular challenges for companies like ours that operate in the clinical trial space and impacts the ability to transfer data in connection with certain transactions or agreements.

In addition to data privacy and security laws, Candid is contractually subject to industry standards adopted by industry groups and is, or may become, subject to such obligations in the future. Candid is also bound by contractual obligations related to data privacy and security, and its efforts to comply with such obligations may not be successful.

Candid has in the past and may in the future publish privacy policies, marketing materials, and other statements concerning data privacy or security. Regulators are increasingly scrutinizing these statements, and if these policies, materials or statements are found to be deficient, lacking in transparency, deceptive, unfair, misleading, or misrepresentative of our practices, Candid may be subject to investigation, enforcement actions by regulators or other adverse consequences.

Obligations related to data privacy and security (and individuals' data privacy expectations) are quickly changing, becoming increasingly stringent and creating uncertainty. Additionally, these obligations may be subject to differing applications and interpretations, which may be inconsistent or conflict among jurisdictions. Preparing for and complying with these obligations requires Candid to devote significant resources, which may necessitate changes to Candid's business, information technologies, systems, and practices and to those of any third parties that process personal data on Candid's behalf.

Candid may at times fail (or be perceived to have failed) in its efforts to comply with its data privacy and security obligations, and despite Candid's efforts, Candid's personnel or third parties with whom Candid works may fail to comply with such obligations, which could negatively impact Candid's business operations.

If Candid or the third parties with whom Candid works fail, or are perceived to have failed, to address or comply with applicable data privacy and security obligations, Candid could face significant consequences, including but not limited to: government enforcement actions (e.g., investigations, fines, penalties, audits, inspections, and similar); litigation (including class-action claims) and mass arbitration demands; additional reporting requirements and/or oversight; bans or restrictions on processing personal data; orders to destroy or not use personal data; and imprisonment of company officials.

In particular, plaintiffs have become increasingly more active in bringing privacy-related claims against companies, including class claims and mass arbitration demands. Some of these claims allow for the recovery of statutory damages on a per violation basis, and, if viable, carry the potential for significant statutory damages.

Any of these events could have a material adverse effect on Candid's reputation, business, or financial condition, including but not limited to: interruptions or stoppages in Candid's business operations (including, as relevant, clinical trials); inability to process personal data or to operate in certain jurisdictions; limited ability to develop or commercialize Candid's drugs; expenditure of time and resources to comply or defend any claim or inquiry; adverse publicity; or substantial changes to Candid's business model or operations.

Compliance with China's Data Security Law, Cybersecurity Law, Personal Information Protection Law and any other future laws and regulations may entail significant expenses and could affect Candid's business.

China has implemented or will implement rules and is considering a number of additional proposals relating to data privacy and security. China's Data Security Law took effect in September 2021. The Data Security Law mandates the country to establish a data categorization and classification framework and entities processing "important data" must comply with specific data protection obligations. In addition, the Data Security Law prohibits entities in China from transferring data stored in China to foreign law enforcement agencies or judicial authorities without prior approval by the Chinese government.

According to China's Cybersecurity Law, which as enacted in November 2016, came into effect in June 2017, and revised on October 28, 2025 and effective on January 1, 2026, network operators must follow the principles of

legality, legitimacy and necessity when collecting and using personal information, publicly disclose the rules for personal information collection and use, clearly state the purpose, method and scope of collecting and using personal information, and obtain the consent of the person whose information is collected and used. Network operators shall not collect personal information unrelated to the services they provide. Network operators are not allowed to leak, tamper with, or damage the personal information they have collected, and are not allowed to provide personal information to others without the consent of the person whose data has been collected. Network operators should take technical measures and other necessary measures to ensure the security of the personal information collected and used and prevent the leakage, damage and loss of such personal information.

On September 24, 2024, the State Council issued the Regulations on Network Data Security Management, which came into effect on January 1, 2025. The Regulations on Network Data Security Management aim to implement the general requirements for data security management set forth in the Cybersecurity Law, the Data Security Law, and the PIPL. These regulations specify the compliance requirements for data processing activities, personal information protection, "important data" security, cross-border data transfer and the obligations of online platform service providers.

Also, China enacted the PIPL, which became effective on November 1, 2021. The PIPL creates a comprehensive data privacy and protection framework that applies both to the processing of personal information in China and the processing activities conducted outside of China if such processing is for purposes of providing products and services to, or analyzing and evaluating the behavior of, individuals in China. The PIPL also introduces data localization and cross-border data transfer restrictions, including requiring critical information infrastructure operators and personal information processing entities who process personal information meeting a volume threshold set by the Cyberspace Administration of China ("CAC") to store in China personal information generated or collected in China locally, and to pass a security assessment administered by the CAC for any export of such personal information. Lastly, the PIPL imposes significant fines for serious violations of up to RMB 50 million or 5% of annual revenues from the prior year. For clinical trials conducted in China, Candid receives trial subject identification codes and clinical trial data from collaborating research institutions in clinical trial projects. Candid cannot use such information to re-identify the specific identity of the trial subject.

In addition, certain industry-specific Chinese laws and regulations apply to the collection and processing of data in China and the transfer of data outside of China. China's Regulations on the Administration of Human Genetic Resources ("HGR Regulation"), was promulgated by the State Council in May 2019 and came into effect in July 2019 and was then revised in March 2024 with revisions taking effect in May 2024. It stipulates that foreign organizations, individuals and the entities established or actually controlled by foreign organizations or individuals are forbidden to collect, preserve and export China's human genetic resources. Foreign organizations and the entities established or actually controlled by foreign organizations or individuals may only utilize and be provided with China's human genetic resources after satisfaction of all requirements under the HGR Regulation and other applicable laws, such as (i) China's human genetic resources being utilized only in international cooperation with Chinese scientific research institutions, universities, medical institutions and enterprises for scientific research and clinical trials after completion of requisite approval or filing formalities with competent governmental authorities, and (ii) China's human genetic resources information being provided after required filing and information backup procedures have been gone through. In May 2023, the Ministry of Science and Technology issued the Implementation Rules for the Administrative Regulation on Human Genetic Resources, which came into effect on July 1, 2023. These rules clarify key definitions under the HGR Regulation and provided detailed measures on the approval and filing process established under the HGR Regulation. On October 17, 2020, China enacted the Biosecurity Law, which became effective on April 15, 2021, and latest amended on April 26, 2024. The Biosecurity Law establishes a comprehensive framework governing the prevention and control of outbreak of major newly-emerged infectious diseases, animal and plant epidemics, security of biotechnology research, development and application, biosafety management of pathogenic microbiology laboratories, security management of human genetic resources and biological resources, prevention of the invasion of alien species and protection of biodiversity, countermeasures against microbial resistance and prevention of bioterrorism and threat of biological weapons.

While Candid intends to closely monitor the evolving laws and regulations in this area and take reasonable measures to mitigate compliance risks, Candid cannot guarantee that its business and operations will not be adversely affected

by Chinese laws and regulations related to data privacy and security. In addition, there remains uncertainties on the interpretation, application and enforcement of these laws, rules and regulations and their scopes may continually change, through new legislation, amendments to existing legislation or changes in enforcement. Compliance with China's data privacy and security laws, including without limitation, the Cybersecurity Law, Data Security Law and the PIPL could significantly increase the cost to Candid of providing its service offerings, require significant changes to its operations or even prevent it from providing certain service offerings in jurisdictions in which Candid currently operates or in which it may operate in the future. Despite Candid's efforts to comply with applicable laws, regulations and other obligations relating to data privacy and security, it is possible that Candid's practices, offerings or platform could fail to meet all of the requirements. Any failure on Candid's part to comply with such law or regulations or any other obligations relating to data privacy and security, or any compromise of security that results in unauthorized access, use or disclosure of personal information or other data, or the perception or allegation that any of the foregoing types of failure or compromise has occurred, could damage Candid's reputation, discourage new and existing counterparties from contracting with Candid or result in investigations, fines, suspension or other penalties by Chinese government authorities and private claims or litigation, any of which could adversely affect Candid's business, financial condition and results of operations. Even if Candid's practices are not subject to legal challenge, the perception of privacy concerns, whether or not valid, may harm its reputation and brand and adversely affect its business, financial condition and results of operations.

Candid's business activities may be subject to the FCPA and similar anti-bribery and anti-corruption laws of other countries in which Candid operates, as well as U.S. and certain foreign export controls, trade sanctions and import laws and regulations. Compliance with these legal requirements could limit Candid's ability to compete in foreign markets and subject Candid to liability if Candid violates them.

If Candid expands its operations outside of the United States, Candid must dedicate additional resources to comply with numerous laws and regulations in each jurisdiction in which Candid plans to operate. Candid's business activities may be subject to the FCPA and similar anti-bribery or anti-corruption laws, regulations or rules of other countries in which Candid operates. The FCPA generally prohibits companies and their employees and third-party intermediaries from offering, promising, giving or authorizing the provision of anything of value, either directly or indirectly, to a non-U.S. government official in order to influence official action or otherwise obtain or retain business. The FCPA also requires public companies to make and keep books and records that accurately and fairly reflect the transactions of the corporation and to devise and maintain an adequate system of internal accounting controls.

Candid's business is heavily regulated and therefore involves significant interaction with public officials, including officials of non-U.S. governments. Additionally, in many other countries, hospitals owned and operated by the government, and doctors and other hospital employees would be considered foreign officials under the FCPA. Recently the SEC and DOJ have increased their FCPA enforcement activities with respect to biotechnology and pharmaceutical companies. There is no certainty that all of Candid's employees, agents or contractors, or those of Candid's affiliates, will comply with all applicable laws and regulations, particularly given the high level of complexity of these laws. Violations of these laws and regulations could result in fines, criminal sanctions against Candid, its officers or its employees, disgorgement and other sanctions and remedial measures, and prohibitions on the conduct of Candid's business. Any such violations could include prohibitions on Candid's ability to offer its product in one or more countries and could materially damage Candid's reputation, its brand, its international activities, its ability to attract and retain employees and its business.

In addition, Candid's product and activities may be subject to U.S. and foreign export controls, trade sanctions and import laws and regulations. Governmental regulation of the import or export of Candid's product, or Candid's failure to obtain any required import or export authorization for its product, when applicable, could harm Candid's international sales and adversely affect its revenue. Compliance with applicable regulatory requirements regarding the export of Candid's product may create delays in the introduction of Candid's product in international markets or, in some cases, prevent the export of Candid's product to some countries altogether. Furthermore, U.S. export control laws and economic sanctions prohibit the shipment of certain drugs and services to countries, governments and persons targeted by U.S. sanctions. If Candid fails to comply with export and import regulations and such economic sanctions, penalties could be imposed, including fines and/or denial of certain export privileges. Moreover, any new export or import restrictions, new legislation or shifting approaches in the enforcement or scope of existing

regulations, or in the countries, persons, or product targeted by such regulations, could result in decreased use of Candid's product by, or in Candid's decreased ability to export its product to, existing or potential customers with international operations. Any decreased use of Candid's product or limitation on Candid's ability to export or sell access to its product would likely significantly harm Candid's business, financial condition, results of operations and prospects.

Candid is subject to various laws relating to foreign investment and the export of certain technologies, and Candid's failure to comply with these laws or adequately monitor the compliance of its suppliers and others Candid does business with could subject Candid to substantial fines, penalties and even injunctions, the imposition of which on Candid could have a material adverse effect on the success of Candid's business.

Candid is subject to U.S. laws that regulate foreign investments in U.S. businesses and access by foreign persons to technology developed and produced in the United States. These laws include Section 721 of the Defense Production Act of 1950, as amended by the Foreign Investment Risk Review Modernization Act of 2018, and the regulations at 31 C.F.R. Parts 800 and 801, as amended, administered by the Committee on Foreign Investment in the United States; and the Export Control Reform Act of 2018, which is being implemented in part through Commerce Department rulemakings to impose new export control restrictions on "emerging and foundational technologies" yet to be fully identified. Application of these laws, including as they are implemented through regulations being developed, may negatively impact Candid's business in various ways, including by restricting Candid's access to capital and markets; limiting the collaborations Candid may pursue; regulating the export of Candid's drugs, services and technology from the United States and abroad; increasing Candid's costs and the time necessary to obtain required authorizations and to ensure compliance; and threatening monetary fines and other penalties if Candid does not comply.

Any failure to comply with Chinese regulations regarding the registration requirements for our employee equity incentive plans may subject us to fines and other legal or administrative sanctions, which could adversely affect our business, financial condition and results of operations.

In February 2012, the PRC State Administration of Foreign Exchange ("SAFE") promulgated the Notices on Issues Concerning the Foreign Exchange Administration for Domestic Individuals Participating in Stock Incentive Plans of Overseas Publicly Listed Companies ("Stock Option Rules"). In accordance with the Stock Option Rules and other relevant rules and regulations, Chinese citizens or non-Chinese citizens residing in China for a continuous period of not less than one year who participate in any stock incentive plan of an overseas publicly listed company, subject to a few exceptions, are required to register with SAFE through a domestic qualified agent, which could be a Chinese subsidiary of such overseas listed company, and complete certain procedures. Candid and Candid's employees who are Chinese citizens or who reside in China for a continuous period of not less than one year and who participate in Candid's share incentive plans will be subject to such regulation after the Closing. Candid plans to assist its employees to register their equity awards. However, any failure of Candid's Chinese individual beneficial owners and holders of equity awards to comply with the SAFE registration requirements may subject them to fines and legal sanctions and may limit the ability of Candid's Chinese subsidiary to distribute dividends to Candid. Candid also faces regulatory uncertainties that could restrict its ability to adopt additional incentive plans for its directors and employees under Chinese law.

As a company with operations and business relationships outside of the United States, Candid's business is subject to economic, political, regulatory and other risks associated with international operations.

Candid's business is subject to risks associated with conducting business outside the United States, including its operations in China. Candid's future results could be harmed by a variety of factors, including:

- economic weakness, including inflation, or political instability in particular non-U.S. economies and markets;
- differing and changing regulatory requirements for drug development activities, clinical trials, registration, production, distribution, packaging, labeling, storage and shipment, advertising, licensing and post-approval pharmacovigilance certification requirements and procedures, periodic renewal and reassessment processes, data privacy and security requirements and compliance, environmental protection, health and safety;
- limitations on access to clinical data or other results from foreign vendors or from certain foreign geographies;

- communication, language or cultural barriers, including with respect to translations of preclinical studies or clinical trial data or protocols;
- differing jurisdictions could present different issues for securing, maintaining or obtaining freedom to operate in such jurisdictions;
- potentially reduced protection for intellectual property rights;
- difficulties in compliance with different, complex and changing laws, regulations and court systems of multiple jurisdictions and compliance with a wide variety of foreign laws, treaties and regulations;
- inquiries, investigations or other actions or proceedings by foreign regulatory authorities or judicial systems;
- changes in non-U.S. regulations and customs, tariffs and trade barriers;
- changes in non-U.S. currency exchange rates, including of the RMB, or restrictions on the ability to obtain non-U.S. currency exchange, including Candid's ability to finance its PRC subsidiary;
- changes in a specific country's or region's political or economic environment especially with respect to a particular country's treatment of or stance towards other countries;
- trade protection measures, import or export licensing requirements or other restrictive actions by governments;
- differing reimbursement regimes and price controls in certain non-U.S. markets;
- negative consequences from changes in tax laws;
- compliance with tax, employment, immigration and labor laws for employees living or traveling abroad;
- variable tax treatment in different jurisdictions of options granted under our equity incentive plans;
- regulations restricting foreign investment or involving complex reporting or compliance requirements, particularly in the PRC;
- workforce uncertainty in countries where labor unrest is more common than in the United States; and
- business interruptions resulting from geopolitical actions, including war, military conflicts and terrorism, health epidemics, or natural disasters including earthquakes, typhoons, floods and fires.

Risks Related to Candid's Intellectual Property

Candid depends substantially on intellectual property rights granted under its agreements with Genor, EpimAb, and Wuxi Biologics. If Candid loses its existing licenses or is unable to acquire or license additional proprietary rights from third parties, Candid may not be able to continue developing its drug candidates.

Candid is dependent on patents, know-how and proprietary technology that it owns and licenses from others. Candid depends substantially on its agreements with Genor, EpimAb, and Wuxi Biologics, including the licenses granted thereunder. These licenses may be terminated upon certain conditions. Any termination of these licenses could result in the loss of significant rights and could harm Candid's ability to commercialize its drug candidates. In the future, Candid may also enter into additional license agreements that are material to the development of its drug candidates.

Candid may also enter into additional agreements, including license agreements, with other parties in the future that impose diligence, development and commercialization timelines, milestone payments, royalties, insurance and other obligations on Candid. Candid is also obligated to achieve certain development milestones with respect to licensed drugs in Candid's fields of use within specified time periods. If Candid fails to comply with its obligations to Genor, EpimAb, Wuxi Biologics or any of Candid's other current or future collaborators, Candid's counterparties may have the right to terminate these agreements, in which event Candid might not be able to develop, manufacture or market any drug candidate that is covered by these agreements, which could adversely affect the value of the drug candidate being developed under any such agreement. Termination of these agreements or reduction or elimination of Candid's rights under these agreements may result in Candid having to negotiate new or reinstated agreements with less favorable terms, or cause Candid to lose its rights under these agreements, including Candid's rights to important intellectual property or technology.

Candid may rely on third parties from whom it licenses proprietary technology to file and prosecute patent applications and maintain patents and otherwise protect the intellectual property Candid licenses from them. Candid may have limited control over these activities or any other intellectual property that may be related to Candid's

in-licensed intellectual property. In certain situations in Candid's agreements with Genor, EpimAb and WuXi Biologics, Candid does not have the right to control patent prosecution, and Candid cannot be certain that any action or inaction taken by Candid's licensors will not have an adverse impact on Candid's intellectual property rights. For example, Candid cannot be certain that such activities by these licensors will be conducted in compliance with applicable laws and regulations or will result in valid and enforceable patents and other intellectual property rights. Additionally, under Candid's agreements with Genor, EpimAb and WuXi Biologics, the territories exclude China, Hong Kong, Taiwan, and Macau. As such, Candid has limited control over the patent prosecution in these jurisdictions, and Candid cannot be certain that the licensors will not make a statement or take a position that is inconsistent with Candid's patent prosecution strategy in the other jurisdictions. If this should happen in the excluded territories, this could negatively impact Candid's patent prosecution strategies in the other jurisdictions. Candid may have limited control over the manner in which its licensors initiate an infringement proceeding against a third-party infringer of the intellectual property rights, or defend certain of the intellectual property that may be licensed to Candid. In addition, Candid may in the future co-own some of its patent rights with other third parties. Candid may need the cooperation of any future co-owners of its patent rights in order to enforce such patent rights against third parties, and such cooperation may not be provided to Candid. It is also possible that Candid's licensors' or co-owners' infringement proceedings or defense activities may be less vigorous than if Candid conducts them itself. Any of the foregoing could have a material adverse effect on Candid's competitive position, business, financial condition, results of operations and prospects.

The licensing and acquisition of third-party intellectual property rights is a competitive practice, and companies that may be more established, or have greater resources than Candid, may also be pursuing strategies to license or acquire third-party intellectual property rights that Candid may consider necessary or attractive in order to commercialize its drug candidates. More established companies may have a competitive advantage over Candid due to their larger size and cash resources or greater clinical development and commercialization capabilities. Candid may not be able to successfully complete such negotiations and ultimately acquire on commercially acceptable terms the rights to the intellectual property surrounding the additional drug candidates that Candid may seek to acquire. Furthermore, Candid may be unable to in-license on commercially acceptable terms any compositions, methods of use, processes, or other third-party intellectual property rights from third parties, which Candid identifies as necessary for its drug candidates.

If Candid is unable to obtain and maintain sufficient intellectual property protection for its drug candidates, or if the scope of the intellectual property protection is not sufficiently broad, Candid's competitors could develop and commercialize drugs similar or identical to Candid's, and Candid's ability to successfully commercialize its drugs may be adversely affected.

Candid relies, and will continue to rely, upon a combination of patents, know-how, trade secrets and confidentiality agreements to protect the intellectual property related to its drugs and technologies and to prevent third parties from copying and surpassing Candid's achievements, thus eroding Candid's competitive position in its market. Candid also relies on protection afforded by in-licensed intellectual property rights and proprietary technology of third parties.

Candid's success depends in large part on its ability to obtain, maintain and enforce issued patents, trademarks and other intellectual property rights and proprietary technology in the United States and other countries for its drug candidates and their uses, as well as Candid's ability to operate without infringing the proprietary rights of others. Candid seeks to protect its proprietary position by filing patent applications in the United States and abroad related to its novel discoveries and technologies that are important to its business. Candid's pending and future patent applications may not result in patents being issued or provide assurance that issued patents will afford sufficient protection of Candid's drug candidates or their intended uses against competitors, nor can there be any assurance that the patents issued will not be infringed, designed around, invalidated by third parties, or effectively prevent others from commercializing competitive technologies, drugs or drug candidates.

Obtaining and enforcing patents is expensive and time-consuming, and Candid may not be able to file and prosecute all necessary or desirable patent applications or maintain and/or enforce patents that may issue based on Candid's patent applications, at a reasonable cost or in a timely manner. It is also possible that Candid will fail to identify patentable aspects of its research and development results before it is too late to obtain patent protection. Although

Candid may have the right to have some input in connection with such activities, Candid may not have the right to control the preparation, filing, and prosecution of patent applications that are licensed to Candid by third parties in the future, or to control prosecution and maintenance of patents that Candid out-licenses to third parties in the future. Although Candid enters into non-disclosure and confidentiality agreements with parties who have access to patentable aspects of its research and development output, such as Candid's employees, corporate collaborators, outside scientific collaborators, CROs, CDMOs, consultants, advisors and other third parties, any of these parties may breach these agreements and disclose such results before a patent application is filed, thereby jeopardizing Candid's ability to seek patent protection. Consequently, Candid may not be able to prevent any third parties from using any of Candid's technology that is in the public domain to compete with Candid's technologies or drug candidates.

Composition of matter patents for biological and pharmaceutical drug candidates often provide a strong form of intellectual property protection for those types of drugs, as such patents provide protection without regard to any method of use. Candid cannot be certain that the claims in Candid's or its licensors' pending patent applications directed to composition of matter of Candid's drug candidates will be considered patentable by the USPTO or by patent offices in foreign countries, or that any claims that issue from Candid's patent applications will be considered valid and enforceable by courts in the United States or foreign countries. In addition, Candid cannot be certain that the claims of such patents, if granted, will be sufficiently broad to effectively prevent competitors from working around Candid's claimed inventions by developing an alternative formulation and thereby competing with Candid without infringing Candid's patent rights. Method of use patents protect the use of a product for the specified method. This type of patent does not prevent a competitor from making and marketing a product that is identical to Candid's product for an indication that is outside the scope of the patented method. Moreover, even if competitors do not actively promote their product for Candid's targeted indications, physicians may prescribe these drugs "off-label." Although off-label prescriptions may infringe or contribute to the infringement of method of use patents, the practice is common and such infringement is difficult to prevent or prosecute.

The patent position of biopharmaceutical companies generally is highly uncertain, involves complex legal and factual questions and has in recent years been the subject of much litigation, resulting in court decisions, including U.S. Supreme Court decisions, which have increased uncertainties as to the ability to enforce patent rights in the future. In addition, the laws of foreign countries may not protect Candid's rights to the same extent as the laws of the United States, or vice versa. European applications now have the option, upon grant of a patent, of becoming a Unitary Patent which will be subject to the jurisdiction of the UPC. This has been a significant change in European patent practice. As the UPC is a new court system, there is no precedent for the court, increasing the uncertainty of any litigation. During the first seven years of the UPC's existence, a patent owner may opt its European patents out of the jurisdiction of the UPC. Candid may decide to opt out its future European patents from the UPC, but doing so may preclude Candid from realizing the benefits of the UPC. Moreover, if Candid does not meet all of the formalities and requirements for opt-out under the UPC, Candid's future European patents could remain under the jurisdiction of the UPC. The UPC will provide Candid's competitors with a new forum to centrally revoke Candid's European patents and allow for the possibility of a competitor to obtain a pan-European injunction. Such a loss of patent protection could have a material adverse impact on Candid's business and its ability to commercialize its technology and drug candidates.

Geopolitical actions in the United States and in foreign countries could increase the uncertainties and costs surrounding the prosecution or maintenance of Candid's patent applications or those of any current or future licensors and the maintenance, enforcement or defense of Candid's issued patents or those of any current or future licensors. For example, the United States and foreign government actions related to the military conflict in Ukraine and Russia may limit or prevent filing, prosecution and maintenance of patent applications in Russia. Government actions may also prevent maintenance of issued patents in Russia. These actions could result in abandonment or lapse of Candid's patents or patent applications, resulting in partial or complete loss of patent rights in Russia. If such an event were to occur, it could have a material adverse effect on Candid's business. In addition, a decree was adopted by the Russian government in March 2022, allowing Russian companies and individuals to exploit inventions owned by patentees that have citizenship or nationality in, are registered in, or have predominately primary place of business or profit-making activities in the United States and other countries that Russia has deemed unfriendly without consent or compensation. Consequently, Candid would not be able to prevent third parties from practicing Candid's inventions in Russia or from selling or importing drugs made using Candid's

inventions in and into Russia. Accordingly, Candid's competitive position may be impaired, and Candid's business, financial condition, results of operations and prospects may be adversely affected.

As noted above, Candid depends substantially on its agreements with Genor, EpimAb, and WuXi Biologics, all of which are companies that are based in China. Any escalation in geopolitical tensions with China and the United States could have unpredictable consequences related to the ability to enforce the agreements and also the enforceability of the associated intellectual property rights. Any inability to enforce these agreements or intellectual property rights could have a material adverse effect on Candid's business. Additionally, unlike U.S. bankruptcy law which grants safe harbor to non-debtor licensees, Chinese bankruptcy law gives a court-appointed administrator authority to determine whether or not to continue to perform an agreement formed before the bankruptcy application. As a result, a license agreement may be terminated by an administrator and thus result in termination of the license and loss of freedom-to-operate. Candid cannot be certain that it will not lose freedom-to-operate in the event Genor, EpimAb, and WuXi Biologics file for bankruptcy.

The patent application process is subject to numerous risks and uncertainties, and there can be no assurance that Candid or any of its potential future collaborators will be successful in protecting Candid's drug candidates by obtaining and defending patents. For example, Candid may not be aware of all third-party intellectual property rights potentially relating to Candid's drug candidates or their intended uses, and as a result the impact of such third-party intellectual property rights upon the patentability of Candid's own patents and patent applications, as well as the impact of such third-party intellectual property upon Candid's freedom to operate, is highly uncertain. Patent applications in the United States and other jurisdictions are typically not published until 18 months after filing or, in some cases, not at all. Therefore, Candid cannot know with certainty whether Candid was the first to make the inventions claimed in its patents or pending patent applications, or that Candid was the first to file for patent protection of such inventions. As a result, the issuance, inventorship, scope, validity, enforceability and commercial value of Candid's patent rights are highly uncertain. Candid's pending patent applications may be challenged in patent offices in the United States and abroad. Even issued patents may later be found invalid or unenforceable or may be modified or revoked in proceedings instituted by third parties before various patent offices or in courts. For example, Candid's pending patent applications may be subject to third-party pre-issuance submissions of prior art to the USPTO or Candid's issued patents may be subject to post-grant review proceedings, oppositions, derivations, reexaminations, or inter partes review proceedings, in the United States or elsewhere, challenging Candid's patent rights or the patent rights of others. Such submissions may also be made prior to a patent's issuance, precluding the granting of a patent based on one or more of our owned or licensed pending patent applications. An adverse determination in any such challenges may result in loss of exclusivity or in patent claims being narrowed, invalidated, or held unenforceable, in whole or in part, which could limit Candid's ability to stop others from using or commercializing similar or identical technology and drugs, or limit the duration of the patent protection of Candid's technology and drugs. In addition, given the amount of time required for the development, testing and regulatory review of new drug candidates, patents protecting such candidates might expire before or shortly after such candidates are commercialized. The degree of future protection for Candid's proprietary rights is uncertain. Only limited protection may be available and may not adequately protect Candid's rights or permit Candid to gain or keep any competitive advantage. Any failure to obtain or maintain patent protection with respect to Candid's drug candidates or their uses could have a material adverse effect on Candid's business, financial condition, results of operations and prospects. Such challenges also may result in substantial cost and require significant time from our scientists and management, even if the eventual outcome is favorable to us. Any of the foregoing could adversely affect our business, financial condition, results of operations, and prospects.

In addition to the protection afforded by patents, Candid relies on trade secret protection and confidentiality agreements to protect proprietary know-how that is not patentable, processes for which patents are difficult to obtain and any other elements of Candid's discovery and development processes that involve proprietary know-how, information or technology that are not covered by Candid's patents. Candid may also rely on trade secret protection as temporary protection for concepts that may be included in a future patent filing. However, trade secret protection will not protect Candid from innovations that a competitor develops independently of Candid's proprietary know-how. If a competitor independently develops a technology that Candid protects as a trade secret and files a patent application on that technology, then Candid may not be able to patent that technology in the future, may require a license from the competitor to use Candid's own know-how, and if the license is not available on commercially-viable

terms, then Candid may not be able to launch its product. Although Candid requires all of its employees to assign their inventions to Candid, and requires all of its employees, consultants, advisors and any third parties who have access to Candid's proprietary know-how, information or technology to enter into confidentiality agreements, Candid cannot be certain that its trade secrets and other confidential proprietary information will not be disclosed or that competitors will not otherwise gain access to Candid's trade secrets or independently develop substantially equivalent information and techniques. Furthermore, the laws of some foreign countries do not protect proprietary rights to the same extent or in the same manner as the laws of the United States. As a result, Candid may encounter significant problems in protecting and defending its intellectual property both in the United States and abroad. If Candid is unable to prevent unauthorized material disclosure of its intellectual property to third parties, Candid will not be able to establish or maintain a competitive advantage in its market, and this scenario could materially adversely affect Candid's business, financial condition and results of operations.

Candid cannot ensure that patent rights relating to inventions described and claimed in its pending patent applications will issue or that patents based on Candid's patent applications will not be challenged and rendered invalid and/or unenforceable.

The patent application process is subject to numerous risks and uncertainties, and there can be no assurance that Candid or any of its potential future collaborators will be successful in protecting Candid's drug candidates by obtaining and defending patents. Candid has pending Patent Cooperation Treaty applications, and U.S. and foreign patent applications in its portfolio; however, Candid cannot predict:

- if and when patents may issue based on Candid's patent applications;
- the scope of protection of any patent issuing based on Candid's patent applications;
- whether the claims of any patent issuing based on Candid's patent applications will provide protection against competitors;
- whether or not third parties will find ways to invalidate or circumvent Candid's patent rights;
- whether or not others will obtain patents claiming aspects similar to those covered by Candid's patents and patent applications;
- whether Candid will need to initiate litigation or administrative proceedings to enforce and/or defend Candid's patent rights, which will be costly whether Candid wins or loses; and/or
- whether the patent applications that Candid owns or has in-licensed will result in issued patents with claims that cover Candid's drug candidates or uses thereof in the United States or in other foreign countries.

Candid cannot be certain that the claims in its pending patent applications directed to Candid's drug candidates and/or technologies will be considered patentable by the USPTO or by patent offices in foreign countries. There can be no assurance that any such patent applications will issue as granted patents. One aspect of the determination of patentability of Candid's inventions depends on the scope and content of the "prior art," information that was or is deemed available to a person of skill in the relevant art prior to the priority date of the claimed invention. There may be prior art of which Candid is not aware that may affect the patentability of Candid's patent claims or, if issued, affect the validity or enforceability of a patent claim. Even if the patents do issue based on Candid's patent applications, third parties may challenge the validity, enforceability or scope thereof, which may result in such patents being narrowed, invalidated or held unenforceable. Furthermore, even if they are unchallenged, patents in Candid's portfolio may not adequately exclude third parties from practicing relevant technology or prevent others from designing around Candid's claims. If the breadth or strength of Candid's intellectual property position with respect to its drug candidates is threatened, it could dissuade companies from collaborating with Candid to develop and threaten Candid's ability to commercialize its drug candidates. In the event of litigation or administrative proceedings, Candid cannot be certain that the claims in any of its issued patents will be considered valid by courts in the United States or foreign countries.

Intellectual property rights do not necessarily address all potential threats to Candid's competitive advantage.

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

- others may be able to make drug candidates that are similar to Candid's but that are not covered by the claims of the patents or patent applications that Candid owns or has exclusively licensed or the patent applications that Candid may file in the future;
- Candid or its licensors or collaborators might not have been the first to make the inventions covered by the patents or patent applications that Candid owns or has exclusively licensed or the patent applications that Candid may file in the future;
- Candid or its licensors or collaborators might not have been the first to file patent applications covering certain aspects of Candid's inventions;
- others may independently develop similar or alternative technologies or duplicate any of Candid's technologies without infringing Candid's intellectual property rights;
- it is possible that noncompliance with the USPTO and foreign governmental patent agencies' requirements for a number of procedural, documentary, fee payment and other provisions during the patent process can result in abandonment or lapse of a patent or patent application, and partial or complete loss of patent rights in the relevant jurisdiction;
- it is possible that Candid's pending patent applications will not lead to issued patents;
- issued patents that Candid owns or have exclusively licensed may be revoked, modified, or held invalid or unenforceable, as a result of legal challenges by Candid's competitors;
- Candid's competitors might conduct research and development activities in countries where Candid does not have patent rights and then use the information learned from such activities to develop competitive drugs for sale in Candid's major commercial markets;
- Candid may not develop additional proprietary technologies that are patentable;
- Candid cannot predict the scope of protection of any patent issuing based on Candid's patent applications, including whether the patent applications that Candid owns or has in-licensed will result in issued patents with claims directed to Candid's drug candidates or uses thereof in the United States or in other foreign countries;
- there may be significant pressure on the U.S. government and international governmental bodies to limit the scope of patent protection both inside and outside the United States for disease treatments that prove successful, as a matter of public policy regarding worldwide health concerns;
- countries other than the United States may have patent laws less favorable to patentees than those upheld by U.S. courts, allowing foreign competitors a better opportunity to create, develop and market competing drug candidates;
- the claims of any patent issuing based on Candid's patent applications may not provide protection against competitors or any competitive advantages, or may be challenged by third parties;
- if enforced, a court may not hold that Candid's patents are valid, enforceable and infringed;
- Candid may need to initiate litigation or administrative proceedings to enforce and/or defend Candid's patent rights, which will be costly whether Candid wins or loses;
- Candid 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 intellectual property;
- Candid may fail to adequately protect and police its trademarks and trade secrets; and
- the patents of others may have an adverse effect on Candid's business, including if others obtain patents claiming subject matter similar to or improving that covered by Candid's patents and patent applications.

Should any of these or similar events occur, they could significantly harm Candid's business, results of operations and prospects.

Candid may not identify relevant third-party patents or may incorrectly interpret the relevance, scope or expiration of a third-party patent, which might adversely affect Candid's ability to develop and market its drugs.

Candid cannot guarantee that any of its patent searches or analyses, including the identification of relevant patents, the scope of patent claims or the expiration of relevant patents, are complete or thorough, nor can Candid be certain that it has identified each and every third-party patent and pending application in the United States and abroad that is relevant to or necessary for the commercialization of Candid's drug candidates in any jurisdiction.

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. Candid's interpretation of the relevance or the scope of a patent or a pending application may be incorrect. For example, Candid may incorrectly determine that its drugs 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. Candid's determination of the expiration date of any patent in the United States or abroad that Candid considers relevant may be incorrect. Candid's failure to identify and correctly interpret relevant patents may negatively impact Candid's ability to develop and market its drugs.

Candid's intellectual property licenses with third parties may be subject to disagreements over contract interpretation, which could narrow the scope of Candid's rights to the relevant intellectual property or technology or increase Candid's financial or other obligations to its licensors.

Candid currently depends, and will continue to depend, on its license agreements, including its agreements with Genor, EpimAb, and WuXi Biologics. Further development and commercialization of Candid's current or any future drug candidates may require Candid to enter into additional license or collaboration agreements. The agreements under which Candid currently licenses intellectual property or technology from 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 Candid believes to be the scope of its rights to the relevant intellectual property or technology, or increase what Candid believes to be its financial or other obligations under the relevant agreement, either of which could have a material adverse effect on Candid's business, financial condition, results of operations and prospects.

If any of Candid's licenses or material relationships or any in-licenses upon which Candid's licenses are based are terminated or breached, Candid may:

- lose its rights to develop and market its drugs;
- lose patent protection for its drugs;
- lose rights to important confidential know-how for manufacturing its drugs;
- experience significant delays in the development or commercialization of its drugs;
- incur significant extra costs in order to develop, manufacture and commercialize its drugs;
- not be able to obtain any other licenses on acceptable terms, if at all; or
- incur liability for damages.

These risks apply to any agreements that Candid may enter into in the future for its drugs or for any future drug candidates. If Candid experiences any of the foregoing, it could have a material adverse effect on Candid's business, financial condition, results of operations and prospects.

In the future, Candid may need to obtain licenses of third-party technology that may not be available to Candid or are available only on commercially unreasonable terms, and which may cause Candid to operate its business in a more costly or otherwise adverse manner than was not anticipated.

Other pharmaceutical companies and academic institutions may also have filed or are planning to file patent applications potentially relevant to Candid's business. From time to time, in order to avoid infringing these third-party patents, Candid may be required to license technology from additional third parties to further develop or commercialize its drug candidates. Should Candid be required to obtain licenses to any third-party technology, including any such patents required to manufacture, use or sell Candid's drug candidates, such licenses may not be available to Candid on commercially reasonable terms, or at all. The inability to obtain any third-party license required to develop or commercialize any of Candid's drug candidates could cause Candid to abandon any related efforts, which could seriously harm Candid's business and operations.

The licensing or acquisition of third-party intellectual property rights is a competitive area, and several more established companies may pursue strategies to license or acquire third-party intellectual property rights Candid may consider attractive or necessary. These established companies may have a competitive advantage over Candid due to their size, capital resources and greater clinical development and commercialization capabilities. In addition, companies that perceive Candid to be a competitor may be unwilling to assign or license rights to Candid.

If Candid is sued for infringing intellectual property rights of third parties, such litigation could be costly and time consuming and could prevent or delay Candid from developing or commercializing its drug candidates.

Candid's commercial success depends, in part, on its ability to develop, manufacture, market and sell its drug candidates without infringing the intellectual property and other proprietary rights of third parties. Third parties may allege that Candid has infringed or misappropriated their intellectual property. Litigation or other legal proceedings relating to intellectual property claims, with or without merit, is unpredictable and generally expensive and time consuming and, even if resolved in Candid's favor, is likely to divert significant resources from Candid's core business, including distracting Candid's technical and management personnel from their normal responsibilities. In addition, there could be public announcements of the results of hearings, motions or other interim proceedings or developments and if securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the market price of Candid Common Stock. Such litigation or proceedings could substantially increase Candid's operating losses and reduce the resources available for development activities or any future sales, marketing or distribution activities. Candid may not have sufficient financial or other resources to adequately conduct such litigation or proceedings. Some of Candid's competitors may be able to sustain the costs of such litigation or proceedings more effectively than Candid can because of their greater financial resources and more mature and developed intellectual property portfolios. Uncertainties resulting from the initiation and continuation of patent litigation or other proceedings could have a material adverse effect on Candid's ability to compete in the marketplace.

There is a substantial amount of intellectual property litigation in the biotechnology and pharmaceutical industries, and Candid may become party to, or threatened with, litigation or other adversarial proceedings regarding intellectual property rights with respect to its drug candidates. Candid cannot be certain that its drug candidates and other proprietary technologies Candid may develop will not infringe existing or future patents owned by third parties. Third parties may assert infringement claims against Candid or its licensors based on existing or future intellectual property rights. Proving invalidity may be difficult. For example, in the United States, proving invalidity in court requires a showing of clear and convincing evidence to overcome the presumption of validity enjoyed by issued patents. If Candid or its licensors are found to infringe a third-party's intellectual property rights, Candid could be forced, including by court order, to cease developing, manufacturing or commercializing the infringing candidate product or product. Alternatively, Candid may be required to obtain a license from such third-party in order to use the infringing technology and continue developing, manufacturing or marketing the infringing candidate product or product. However, Candid may not be able to obtain any required license on commercially reasonable terms or at all. Even if Candid were able to obtain a license, it could be non-exclusive, thereby giving Candid's competitors access to the same technologies licensed to Candid. In addition, Candid could be found liable for monetary damages, including treble damages and attorneys' fees if Candid is found to have willfully infringed a patent. A finding of infringement could prevent Candid from commercializing its investigational drugs or force Candid to cease some of its business operations, which could materially harm Candid's business.

Candid or its licensors may not be aware of patents that have already been issued and that a third-party, for example, a competitor in the fields in which Candid is developing its drug candidates, might assert are infringed by Candid's current or future drug candidates, including claims to compositions, formulations, methods of manufacture or methods of use or treatment that cover Candid's drug candidates. It is also possible that patents owned by third parties of which Candid or its licensors are aware, but which Candid does not believe are relevant to its drug candidates and other proprietary technologies Candid may develop, could be found to be infringed by Candid's drug candidates. In addition, because patent applications can take many years to issue, there may be currently pending patent applications that may later result in issued patents that Candid's drug candidates may infringe. Candid's competitors in both the United States and abroad, many of which have substantially greater resources and have made substantial investments in patent portfolios and competing technologies, may have applied for or obtained or may in the future apply for and obtain, patents that will prevent, limit or otherwise interfere with Candid's ability to

make, use and sell its drug candidates. The pharmaceutical and biotechnology industries have produced a considerable number of patents, and it may not always be clear to industry participants, including Candid, which patents cover various types of drugs or methods of use. The coverage of patents is subject to interpretation by the courts, and the interpretation is not always uniform. If Candid were sued for patent infringement, Candid would need to demonstrate that its drug candidates, drugs or methods either do not infringe the patent claims of the relevant patent or that the patent claims are invalid or unenforceable, and Candid may not be able to do this. Proving invalidity may be difficult and there is no assurance that a court of competent jurisdiction would invalidate the claims of any such U.S. patent. Even if Candid is successful in these proceedings, Candid may incur substantial costs and the time and attention of Candid's management and scientific personnel could be diverted in pursuing these proceedings, which could have a material adverse effect on Candid's business and operations. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of Candid's confidential information could be compromised by disclosure during litigation. In addition, Candid may not have sufficient resources to bring these actions to a successful conclusion.

Candid may choose to challenge the enforceability or validity of claims in a third-party's U.S. patent by requesting that the USPTO review the patent claims in an ex-parte re-exam, inter partes review or post-grant review proceedings. These proceedings are expensive and may consume Candid's time or other resources. Candid may choose to challenge a third-party's patent in patent opposition proceedings in the European Patent Office ("EPO"), or other foreign patent office. The costs of these opposition proceedings could be substantial and may consume Candid's time or other resources. If Candid fails to obtain a favorable result at the USPTO, EPO or other patent office then Candid may be exposed to litigation by a third-party alleging that the patent may be infringed by Candid's drug candidates or proprietary technologies.

If Candid is found to infringe a third-party's intellectual property rights, Candid could be forced, including by court order, to cease developing, manufacturing or commercializing the infringing drug candidate or product. Alternatively, Candid may be required to obtain a license from such third-party in order to use the infringing technology and continue developing, manufacturing or marketing the infringing drug candidate. However, Candid may not be able to obtain any required license on commercially reasonable terms or at all. Even if Candid were able to obtain a license, it could be non-exclusive, thereby giving Candid's competitors access to the same technologies licensed to Candid. In addition, Candid could be found liable for monetary damages, including treble damages and attorneys' fees if Candid is found to have willfully infringed a patent. A finding of infringement could prevent Candid from commercializing its drug candidates or force Candid to cease some of its business operations, and could divert the time and attention of Candid's technical personnel and management, cause development delays, and/or require Candid to develop non-infringing technology, which may not be possible on a cost-effective basis, any of which could materially harm Candid's business. In the event of a successful claim of infringement against Candid, Candid may have to pay substantial monetary damages, including treble damages and attorneys' fees for willful infringement, pay royalties and other fees, redesign Candid's infringing drug or obtain one or more licenses from third parties, which may be impossible or require substantial time and monetary expenditure. Claims that Candid has misappropriated the confidential information or trade secrets of third parties could have a similar negative impact on Candid's business.

Candid may become involved in lawsuits to protect or enforce its patents or other intellectual property, which could be expensive, time consuming and unsuccessful.

Competitors or other third parties may infringe Candid's patents, trademarks or other intellectual property. To counter infringement or unauthorized use, Candid may be required to file infringement claims, which can be expensive and time consuming and divert the time and attention of Candid's management and scientific personnel. Candid's pending patent applications cannot be enforced against third parties practicing the technology claimed in such applications unless and until a patent issues from such applications. Any claims Candid asserts against perceived infringers could provoke these parties to assert counterclaims against Candid alleging that Candid infringes their patents, in addition to counterclaims asserting that Candid's patents are invalid or unenforceable, or both. In patent litigation in the United States, defendant counterclaims alleging invalidity and/or unenforceability are commonplace. Grounds for a validity challenge could be an alleged failure to meet any of several statutory requirements, including lack of novelty, obviousness, non-enablement or insufficient written description. 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 following legal assertions of invalidity and unenforceability is unpredictable. In any patent infringement proceeding, there is a risk that a court will decide that a patent of Candid's is invalid or unenforceable, in whole or in part, and that Candid does not have the right to stop the other party from using the invention at issue. There is also a risk that, even if the validity of such patents is upheld, the court will construe the patent's claims narrowly or decide that Candid does not have the right to stop the other party from using the invention at issue on the grounds that Candid's patent claims do not cover the invention, or decide that the other party's use of Candid's patented technology falls under the safe harbor to patent infringement under 35 U.S.C. §271(e)(1). An adverse outcome in a litigation or proceeding involving Candid's patents could limit Candid's ability to assert its patents against those parties or other competitors and may curtail or preclude Candid's ability to exclude third parties from making and selling similar or competitive drugs. Any of these occurrences could adversely affect Candid's competitive business position, business prospects and financial condition. Similarly, if Candid asserts trademark infringement claims, a court may determine that the marks Candid has asserted are invalid or unenforceable, or that the party against whom Candid has asserted trademark infringement has superior rights to the marks in question. In this case, Candid could ultimately be forced to cease use of such trademarks.

Even if Candid establishes infringement, the court may decide not to grant an injunction against further infringing activity and instead award only monetary damages, which may or may not be an adequate remedy. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of Candid's confidential information could be compromised by disclosure during litigation. There could also be public announcements of the results of hearings, motions or other interim proceedings or developments. If securities analysts or investors perceive these results to be negative, it could have a material adverse effect on the price of shares of Candid Common Stock. Moreover, Candid cannot assure you that it will have sufficient financial or other resources to file and pursue such infringement claims, which typically last for years before they are concluded. Even if Candid ultimately prevails in such claims, the monetary cost of such litigation and the diversion of the attention of Candid's management and scientific personnel could outweigh any benefit Candid receives as a result of the proceedings.

Because of the expense and uncertainty of litigation, Candid may not be in a position to enforce its intellectual property rights against third parties.

Because of the expense and uncertainty of litigation, Candid may conclude that even if a third-party is infringing Candid's patents that may be issued as a result of Candid's pending or future patent applications or other intellectual property rights, the risk-adjusted cost of bringing and enforcing such a claim or action may be too high or not in the best interest of Candid or its stockholders, or it may be otherwise impractical or undesirable to enforce Candid's intellectual property against some third parties. Candid's competitors or other third parties may be able to sustain the costs of complex patent litigation or proceedings more effectively than Candid can because of their greater financial resources and more mature and developed intellectual property portfolios. In such cases, Candid may decide that the more prudent course of action is to simply monitor the situation or initiate or seek some other non-litigious action or solution. In addition, the uncertainties associated with litigation could compromise Candid's ability to raise the funds necessary to continue its preclinical studies, initiate and continue clinical trials, continue its internal research programs, in-license needed technology or other drug candidates, or enter into development partnerships that would help Candid bring its drug candidates to market.

Candid may be subject to claims that it has wrongfully hired an employee from a competitor or that Candid's employees, consultants or independent contractors have misappropriated or disclosed confidential information of third parties.

Candid may be subject to claims that its employees, consultants or advisors have misappropriated for Candid's benefit or disclosed to Candid confidential information of third parties. As is common in the pharmaceutical industry, in addition to its employees, in the future Candid may engage the services of consultants to assist Candid in the development of its drug candidates. Many of these potential consultants, and many of Candid's employees, were previously employed at, or may have previously provided or may be currently providing consulting services to, other pharmaceutical companies including Candid's competitors or potential competitors. Candid could in the future be subject to claims that Candid or its employees or consultants have inadvertently, or otherwise, misappropriated alleged trade secrets or other confidential information of former employers, clients or competitors. To the extent that Candid's employees, consultants or advisors use intellectual property rights or proprietary information owned by

others in their work for Candid, disputes may arise as to the rights in any related or resulting know-how and inventions. Although Candid tries to ensure that its employees and consultants do not use the intellectual property, proprietary information, know-how or trade secrets of others in their work for Candid, Candid may become subject to claims that Candid caused an employee to breach the terms of his or her non-competition or non-solicitation agreement, or that Candid or these individuals have, inadvertently, or otherwise, used or disclosed the alleged trade secrets or other proprietary information of a former employer or competitor.

While Candid may litigate to defend itself against these claims, even if Candid is successful, litigation could result in substantial costs and could be a distraction to management. If Candid's defenses to these claims fail, in addition to requiring Candid to pay monetary damages, a court could prohibit Candid from using technologies or features that are essential to its drug 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 Candid's reputation, Candid's ability to form strategic alliances or sublicense its rights to collaborators, engage with scientific advisors or hire employees or consultants, each of which would have an adverse effect on Candid's business, results of operations and financial condition. Even if Candid is successful in defending against such claims, litigation could result in substantial costs and be a distraction to management.

Changes in patent law in the United States and other jurisdictions could diminish the value of patents in general, thereby impairing Candid's ability to protect its drug candidates.

As is the case with other biopharmaceutical companies, Candid's success is heavily dependent on intellectual property, particularly patents. Obtaining and enforcing patents in the biopharmaceutical industry involves both technological and legal complexity and is therefore costly, time consuming and inherently uncertain. Changes in either the patent laws or interpretation of the patent laws in the United States could increase the uncertainties and costs, and may diminish Candid's ability to protect its inventions, obtain, maintain, and enforce its intellectual property rights and, more generally, could affect the value of Candid's intellectual property or narrow the scope of Candid's patents that issue in the future. Patent reform legislation in the United States and other countries, including the Leahy-Smith America Invents Act ("Leahy-Smith Act"), signed into law on September 16, 2011, could increase those uncertainties and costs surrounding the prosecution of Candid's patent applications and the enforcement or defense of Candid's 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 and provide more efficient and cost-effective avenues for competitors to challenge the validity of patents. These include allowing third-party submission of prior art to the USPTO during patent prosecution and additional procedures to attack the validity of a patent by USPTO-administered post-grant proceedings, including post-grant review, inter partes review and derivation proceedings. Further, because of a lower evidentiary standard in these USPTO post-grant 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 Candid's patent claims that would not have been invalidated if first challenged by the third-party as a defendant in a district court action. Thus, the Leahy-Smith Act and its implementation could increase the uncertainties and costs surrounding the prosecution of Candid's patent applications and the enforcement or defense of Candid's issued patents, all of which could have a material adverse effect on Candid's business, financial condition, results of operations and prospects.

After March 2013, under the Leahy-Smith Act, the United States transitioned to a first inventor to file system in which, assuming that the other statutory requirements are met, the first inventor to file a patent application will be entitled to the patent on an invention regardless of whether a third-party was the first to invent the claimed invention. A third-party that files a patent application with the USPTO after March 2013, but before Candid files an application covering the same invention, could therefore be awarded a patent covering an invention of Candid's even if Candid had made the invention before it was made by such third-party. This will require Candid to be cognizant going forward 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, Candid cannot be certain that Candid or its licensors were the first to either (i) file any patent application related to Candid's drug candidates and other proprietary technologies Candid may develop or (ii) invent any of the inventions claimed in

Candid's or Candid's licensor's patents or patent applications. Even where Candid has a valid and enforceable patent, Candid may not be able to exclude others from practicing the claimed invention where the other party can show that they used the invention in commerce before Candid's filing date or the other party benefits from a compulsory license. However, the Leahy-Smith Act and its implementation could increase the uncertainties and costs surrounding the prosecution of Candid's patent applications and the enforcement or defense of Candid's issued patents, all of which could have a material adverse effect on Candid's business, financial condition, results of operations and prospects.

In addition, the patent positions of companies in the development and commercialization of pharmaceuticals are particularly uncertain. The U.S. Supreme Court has ruled on several patent cases in recent years, either narrowing the scope of patent protection available in certain circumstances or weakening the rights of patent owners in certain situations. Candid cannot predict how decisions by the federal courts, the U.S. Congress or the USPTO may impact the value of Candid's patent rights. For example, in the 2013 case *Assoc. for Molecular Pathology v. Myriad Genetics, Inc.*, the Supreme Court of the United States held that certain claims to DNA molecules are not patentable. As another example, the Supreme Court of the United States held in *Amgen v. Sanofi* (2023) that a functionally claimed genus of antibodies that bind and block the PCSK9 receptor was invalid for failing to comply with the enablement requirement of the Patent Act. In addition, the Federal Circuit issued a decision involving the interaction of patent term adjustment ("PTA"), terminal disclaimers, and obvious-type double patenting. Depending on future actions by the U.S. Congress, the U.S. courts, the USPTO and the relevant law-making bodies in other countries, the laws and regulations governing patents could change in unpredictable ways that would weaken Candid's ability to obtain new patents or to enforce its existing patents and patents that Candid might obtain in the future. While Candid does not believe that any of the patents or patents that issue from pending patent applications that are owned or licensed by Candid will be found invalid based on these decisions, Candid cannot predict how future decisions by the courts, the U.S. Congress or the USPTO may impact the value of Candid's patents.

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 such patent. If Candid is, or Candid's licensor is, forced to grant a license to third parties with respect to any patents relevant to Candid's business, Candid's competitive position may be impaired, and Candid's business, financial condition, results of operations and prospects may be adversely affected.

Obtaining and maintaining patent protection depends on compliance with various procedural, document submissions, fee payment and other requirements imposed by governmental patent agencies, and Candid's patent protection could be reduced or eliminated for non-compliance with these requirements.

Periodic maintenance fees, renewal fees, annuity fees and various other governmental fees on patents and/or patent applications are due to be paid to the USPTO and foreign patent agencies in several stages over the lifetime of the patent and/or patent application. The USPTO and various foreign governmental patent agencies also require compliance with a number of procedural, documentary, fee payment and other similar provisions during the patent application process. While an inadvertent lapse can in many cases be cured by payment of a late fee or by other means in accordance with the applicable rules, there are situations in which noncompliance 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. If Candid fails to maintain the patents and patent applications covering its drug candidates, Candid's competitive position would be adversely affected.

Candid may rely on trade secret and proprietary know-how which can be difficult to trace and enforce and, if Candid is unable to protect the confidentiality of its trade secrets, Candid's business and competitive position would be harmed.

In addition to seeking patents for some of its technology and drug candidates, Candid may also rely on trade secrets, including unpatented know-how, technology and other proprietary information, to maintain its competitive position. Elements of Candid's drug 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 Candid

may consider trade secrets and know-how to be its primary intellectual property. Any disclosure, either intentional or unintentional, by Candid's employees, the employees of third parties with whom Candid Capital Stock its facilities or third-party consultants and vendors that Candid engages to perform research, clinical trials or manufacturing activities, or misappropriation by third parties (such as through a cybersecurity breach) of Candid's trade secrets or proprietary information could enable competitors to duplicate or surpass Candid's technological achievements, thus eroding Candid's competitive position in its market. Because Candid expects to rely on third parties in the development and manufacture of its drug candidates, Candid must, at times, share trade secrets with them. Candid's reliance on third parties requires Candid to share its trade secrets, which increases the possibility that a competitor will discover them or that Candid's trade secrets will be misappropriated or disclosed.

Trade secrets and know-how can be difficult to protect. Candid requires its employees to enter into written employment agreements containing provisions of confidentiality and obligations to assign to Candid any inventions generated in the course of their employment. Candid and any third parties with whom Candid Capital Stock facilities enter into written agreements that include confidentiality and intellectual property obligations to protect each party's property, trade secrets, proprietary know-how, and information. Candid further seeks to protect its trade secrets, proprietary know-how, and information in part, by entering into confidentiality agreements with parties who are given access to them, such as Candid's corporate collaborators, outside scientific collaborators, CROs, CDMOs, consultants, advisors and other third parties. With Candid's consultants, contractors, and outside scientific collaborators, these agreements typically include invention assignment obligations. Candid cannot guarantee that it has entered into such agreements with each party that may have or has had access to Candid's trade secrets or proprietary technology and processes. Candid cannot be certain that its trade secrets and other confidential proprietary information will not be disclosed or that competitors will not otherwise gain access to Candid's trade secrets or independently develop substantially equivalent information and techniques. Despite these efforts, any of these parties may breach the agreements and disclose Candid's proprietary information, including its trade secrets, and Candid may not be able to obtain adequate remedies for such breaches. Enforcing a claim that a party illegally disclosed or misappropriated a trade secret is difficult, expensive and time-consuming, and the outcome is unpredictable. In addition, some courts inside and outside the United States are less willing or unwilling to protect trade secrets to the same extent or in the same manner as the laws of the United States. Candid may need to share its 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 Candid's trade secrets were to be lawfully obtained or independently developed by a competitor or other third-party, Candid would have no right to prevent them from using that technology or information to compete with Candid. If any of Candid's trade secrets were to be disclosed to or independently developed by a competitor or other third-party, Candid's competitive position would be harmed.

Candid may become subject to claims challenging the inventorship or ownership of its patents and other intellectual property.

Candid may be subject to claims that former employees, collaborators or other third parties have an interest in Candid's patents or other intellectual property as an inventor or co-inventor. 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 Candid's drug candidates or as a result of questions regarding co-ownership of potential joint inventions. Litigation may be necessary to resolve these and other claims challenging inventorship and/or ownership. Alternatively, or additionally, Candid may enter into agreements to clarify the scope of its rights in such intellectual property. If Candid fails in defending any such claims, in addition to paying monetary damages, Candid may lose valuable intellectual property rights, such as exclusive ownership of, or right to use, valuable intellectual property. Such an outcome could have a material adverse effect on Candid's business. Even if Candid is successful in defending against such claims, litigation could result in substantial costs and be a distraction to management and other employees.

Candid's current or future licensors may have relied on third-party consultants or collaborators or on funds from third parties, such as the U.S. government, such that Candid's licensors are not the sole and exclusive owners of the

patents Candid has in-licensed. The U.S. federal government retains certain rights in inventions produced with its financial assistance under the Bayh-Dole Act. The federal government retains a "nonexclusive, nontransferable, irrevocable, paid-up license" for its own benefit. The Bayh-Dole Act also provides federal agencies with "march-in rights." March-in rights allow the government, in specified circumstances, to require the contractor or successors in title to the patent to grant a "nonexclusive, partially exclusive, or exclusive license" to a "responsible applicant or applicants." If the patent owner refuses to do so, the government may grant the license itself. If, in the future, Candid co-owns or licenses in technology which is critical to Candid's business that is developed in whole or in part with federal funds subject to the Bayh-Dole Act, Candid's ability to enforce or otherwise exploit patents covering such technology may be adversely affected. If other third parties have ownership rights or other rights to Candid's in-licensed patents, they may be able to license such patents to Candid's competitors, and Candid's competitors could market competing drugs and technology. This could have a material adverse effect on Candid's competitive position, business, financial conditions, results of operations, and prospects.

In addition, while it is Candid's policy to require its employees and contractors who may be involved in the conception or development of intellectual property to execute agreements assigning such intellectual property to Candid, Candid may be unsuccessful in executing such an agreement with each party who, in fact, conceives or develops intellectual property that Candid regards as its own. The assignment of intellectual property rights may not be self-executing, or the assignment agreements may be breached, and Candid may be forced to bring claims against third parties, or defend claims that they may bring against Candid, to determine the ownership of what Candid regards as its intellectual property. Such claims could have a material adverse effect on Candid's business, financial condition, results of operations, and prospects.

Patent terms may be inadequate to protect Candid's competitive position on its drug candidates for an adequate amount of time.

Patent rights are of limited duration. In the United States, if all maintenance fees are paid timely, the natural expiration of a patent is generally 20 years after its first effective filing date excluding U.S. provisional patent applications. Given the amount of time required for the development, testing and regulatory review of new drug candidates, patents protecting such candidates might expire before or shortly after such drug candidates are commercialized. Even if patents covering Candid's drug candidates are obtained, once the patent life has expired for a product, Candid may be open to competition from biosimilar or generic drugs. As a result, Candid's patent portfolio may not provide Candid with sufficient rights to exclude others from commercializing drug candidates similar or identical to Candid's. Upon issuance in the United States, the term of a patent can be increased by patent term adjustment, which is based on certain delays caused by the USPTO, but this increase can be reduced or eliminated based on certain delays caused by the patent applicant during patent prosecution. Candid may also be required to disclaim a portion of patent term in order to overcome double patenting rejections from the patent office, thus potentially shortening Candid's exclusivity period. The term of a U.S. patent may also be shortened if the patent is terminally disclaimed over an earlier-filed patent. A PTE based on regulatory delay may be available in the United States. However, only a single patent can be extended for each marketing approval, and any patent can be extended only once, for a single product. Moreover, the scope of protection during the period of the PTE does not extend to the full scope of the claim, but instead only to the scope of the product as approved. Laws governing analogous PTEs in foreign jurisdictions vary widely, as do laws governing the ability to obtain multiple patents from a single patent family. Additionally, Candid may not receive an extension if Candid fails to exercise due diligence during the testing phase or regulatory review process, applies within applicable deadlines, fails to apply prior to the expiration of relevant patents or otherwise fails to satisfy applicable requirements. If Candid is unable to obtain PTE or restoration, or the term of any such extension is less than Candid requests, the period during which Candid will have the right to exclusively market its product will be shortened and Candid's competitors may obtain approval of competing drugs following Candid's patent expiration and may take advantage of Candid's investment in development and clinical trials by referencing Candid's clinical and preclinical data to launch their product earlier than might otherwise be the case, and Candid's revenue could be reduced, possibly materially.

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

Candid's current or future trademarks or trade names may be challenged, infringed, circumvented or declared generic or descriptive or determined to be infringing on other marks. Candid may not be able to protect its rights to these trademarks and trade names or may be forced to stop using these names, which Candid needs for name

recognition by potential partners or customers in its markets of interest. During trademark registration proceedings, Candid may receive rejections of its applications by the USPTO or in other foreign jurisdictions. Although Candid would be given an opportunity to respond to those rejections, Candid may be unable to overcome such rejections. In addition, in the USPTO and in comparable agencies in many foreign jurisdictions, third parties are given an opportunity to oppose pending trademark applications and to seek to cancel registered trademarks. Opposition or cancellation proceedings may be filed against Candid's trademarks, and Candid's trademarks may not survive such proceedings. If Candid is unable to establish name recognition based on its trademarks and trade names, Candid may not be able to compete effectively, and Candid's business may be adversely affected. Candid may license its trademarks and trade names to third parties, such as distributors. Although these license agreements may provide guidelines for how Candid's trademarks and trade names may be used, a breach of these agreements or misuse of Candid's trademarks and trade names by Candid's licensees may jeopardize Candid's rights in or diminish the goodwill associated with Candid's trademarks and trade names.

Moreover, any name Candid has proposed to use with its drug candidate in the United States must be approved by the FDA, regardless of whether Candid has registered it, or applied to register it, as a trademark. Similar requirements exist in Europe. The FDA typically conducts a review of proposed product names, including an evaluation of potential for confusion with other product names. If the FDA (or an equivalent administrative body in a foreign jurisdiction) objects to any of Candid's proposed proprietary product names, Candid may be required to expend significant additional resources in an effort to identify a suitable substitute name that would qualify under applicable trademark laws, not infringe the existing rights of third parties and be acceptable to the FDA. Furthermore, in many countries, owning and maintaining a trademark registration may not provide an adequate defense against a subsequent infringement claim asserted by the owner of a senior trademark. At times, competitors or other third parties may adopt trade names or trademarks similar to Candid's, thereby impeding Candid's ability to build brand identity and possibly leading to market confusion. In addition, there could be potential trade name or trademark infringement claims brought by owners of other registered trademarks or trademarks that incorporate variations of Candid's registered or unregistered trademarks or trade names. If Candid asserts trademark infringement claims, a court may determine that the marks Candid has asserted are invalid or unenforceable, or that the party against whom Candid has asserted trademark infringement has superior rights to the marks in question. In this case, Candid could ultimately be forced to cease use of such trademarks.

Risks Related to Candid's Industry and Business

Candid will need to expand its organization, and may experience challenges in managing this growth as it builds its capabilities, which could disrupt its operations.

As of December 31, 2025, Candid had 48 full-time employees. Candid will need to expand its organization, and may have difficulty identifying, hiring and integrating new personnel. Future growth would impose significant additional responsibilities on Candid's management, including the need to identify, recruit, maintain, motivate and integrate additional employees, consultants and contractors. Also, Candid's management may need to divert a disproportionate amount of its attention away from day-to-day activities and devote a substantial amount of time to managing these growth activities. Candid may not be able to effectively manage the expansion of its operations, which may result in weaknesses in its infrastructure, give rise to operational mistakes, loss of business opportunities, loss of employees and reduced productivity among remaining employees. Candid's expected growth could require significant capital expenditures and may divert financial resources from other projects, such as the development of drug candidates. If Candid's management is unable to effectively manage its growth, Candid's expenses may increase more than expected, Candid's ability to generate and/or grow revenues could be reduced, and Candid may not be able to implement its business strategy. Candid's future financial performance and its ability to commercialize its drug candidates and compete effectively will depend, in part, on Candid's ability to effectively manage any future growth.

Candid's future success depends on its ability to retain its key personnel and to attract, retain and motivate qualified personnel.

Candid's industry has experienced a high rate of turnover of management personnel in recent years. Candid is highly dependent on its executive officers, as well as the other members of its current and future management, scientific and clinical teams. Although Candid has formal employment agreements with its executive officers, these agreements do not prevent them from terminating their employment with Candid at any time. Certain of Candid's

executive officers are also eligible to receive severance benefits upon certain qualifying terminations of employment pursuant to their agreements. Additional details regarding these arrangements can be found in the sections titled “*Candid Executive Officer and Director Compensation—Employment Arrangements with Candid’s Named Executive Officers*” and “*Candid Executive Officer and Director Compensation—Potential Payments upon Termination or Change in Control*.”

If Candid loses one or more of its executive officers or key employees, Candid’s ability to implement its business strategy successfully could be seriously harmed. Furthermore, replacing executive officers and key employees may be difficult and may take an extended period of time because of the limited number of individuals in Candid’s industry with the breadth of highly specialized skills and experience required to develop, gain regulatory approval of, and commercialize Candid’s drug candidates successfully. Competition to hire from this limited pool is intense, and Candid may be unable to hire, train, retain or motivate these additional key personnel on acceptable terms given the competition among numerous biopharmaceutical and biotechnology companies for similar personnel. Candid also experiences competition for the hiring of scientific and clinical personnel from universities and research institutions. In addition, Candid relies on consultants and advisors, including scientific and clinical advisors, to assist Candid in formulating its research and development and commercialization strategy. Candid’s consultants and advisors may be engaged by entities other than Candid and may have commitments under consulting or advisory contracts with other entities that may limit their availability to Candid. If Candid is unable to continue to attract and retain high quality personnel, Candid’s ability to advance the clinical development of and commercialize drug candidates will be limited.

Candid’s operating results may fluctuate significantly, which makes Candid’s future operating results difficult to predict and could cause Candid’s operating results to fall below expectations or any guidance Candid may provide.

Candid’s quarterly and annual operating results may fluctuate significantly, which makes it difficult for Candid to predict its future operating results. These fluctuations may occur due to a variety of factors, many of which are outside of Candid’s control, including, but not limited to:

- the timing and cost of, and level of investment in, research, development, regulatory approval, and commercialization activities relating to any of Candid’s current or future drug candidates, which may change from time to time, including the need to conduct unanticipated clinical trials or trials that are larger or more complex than anticipated;
- Candid’s ability to enroll patients in clinical trials and the timing of enrollment;
- the timing and success or failure of preclinical studies or clinical trials for any of Candid’s current or future drug candidates or competing drug candidates, or any other change in the competitive landscape of Candid’s industry, including consolidation among Candid’s competitors or partners;
- coverage and reimbursement policies with respect to any of Candid’s current or future drug candidates, if approved, and potential future drugs that compete with Candid’s drugs;
- the cost of manufacturing any of Candid’s current or future drug candidates, which may vary depending on the quantity of production and the terms of Candid’s agreements with third-party manufacturers;
- expenditures that Candid may incur to acquire, in-license, develop, or commercialize additional drug candidates;
- the level of demand for any approved drugs, which may vary significantly and be difficult to predict;
- Candid’s ability to commercialize any of its current or future drug candidates, if approved, inside and outside of the United States, either independently or working with third parties;
- Candid’s ability to establish and maintain collaborations, licensing or other arrangements;
- potential unforeseen business disruptions that increase Candid’s costs or expenses;
- future accounting pronouncements or changes in Candid’s accounting policies; and
- the timing and amount of any milestone, royalty or other payments payable by Candid or due to Candid under any collaboration, licensing or other similar agreement.

The cumulative effects of these factors could result in large fluctuations and unpredictability in Candid’s quarterly and annual operating results. As a result, comparing Candid’s operating results on a period-to-period basis may not be meaningful. Investors should not rely on Candid’s past results as an indication of Candid’s future performance.

This variability and unpredictability could also result in Candid failing to meet the expectations of industry or financial analysts or investors for any period. If Candid's revenue or operating results fall below the expectations of analysts or investors or below any forecasts Candid may provide to the market, or if the forecasts Candid provides to the market are below the expectations of analysts or investors, the price of Candid Common Stock could decline substantially. Such a stock price decline could occur even when Candid has met any previously publicly stated revenue or earnings guidance Candid may provide.

If Candid's information technology systems or those of third parties with whom Candid works, or Candid's data, are or were compromised, Candid could experience adverse consequences resulting from such compromise, including but not limited to regulatory investigations or actions; litigation; fines and penalties; disruptions of Candid's business operations; reputational harm; loss of revenue or profits; and other adverse consequences.

In the ordinary course of its business, Candid and the third parties with whom Candid works process sensitive information, and, as a result, Candid and the third parties with whom Candid works face a variety of evolving threats which could cause security incidents. Cyber-attacks, malicious internet-based activity, online and offline fraud, natural disasters, telecommunications issues and other similar activities threaten the confidentiality, integrity, and availability of Candid's sensitive information and information technology systems, and those of the third parties with whom Candid works. Such threats are prevalent and continue to rise, are increasingly difficult to detect, and certain of these threats come from a variety of sources, including traditional computer "hackers," threat actors, "hacktivists," organized criminal threat actors, personnel (such as through theft or misuse), sophisticated nation states, and nation-state-supported actors.

Some actors now engage and are expected to continue to engage in cyber-attacks, including without limitation nation-state actors for geopolitical reasons and in conjunction with military conflicts and defense activities. During times of war and other major conflicts, Candid and the third parties with whom Candid works may be vulnerable to a heightened risk of these attacks, including retaliatory cyber-attacks, that could materially disrupt Candid's systems and operations, supply chain, and ability to conduct its business.

Candid and the third parties with whom Candid works are subject to a variety of evolving threats, including but not limited to social-engineering attacks (including through those that may be increasingly more difficult to identify such as deep fakes and phishing attacks), malicious code (such as viruses and worms), malware (including as a result of advanced persistent threat intrusions), denial-of-service attacks, credential stuffing attacks, credential harvesting, personnel misconduct or error, ransomware attacks, supply-chain attacks, software bugs, server malfunctions, software or hardware failures, loss or theft of data or other information technology assets, adware, telecommunications failures, earthquakes, fires, floods, attacks enhanced or facilitated by AI, and other similar threats.

In particular, severe ransomware attacks are becoming increasingly prevalent and can lead to significant interruptions in Candid's operations, ability to conduct its business, loss of sensitive information and income, reputational harm, and diversion of funds. Extortion payments may alleviate the negative impact of a ransomware attack, but Candid may be unwilling or unable to make such payments due to, for example, applicable laws or regulations prohibiting such payments.

It may be difficult and/or costly to prevent, detect, investigate, mitigate, contain, and remediate a security incident. Candid's efforts to do so may not be successful. Actions taken by Candid or the third parties with whom Candid works to detect, investigate, mitigate, contain, and remediate a security incident could result in outages, data losses, and disruptions of Candid's business. Threat actors may also gain access to other networks and systems after a compromise of Candid's networks and systems. For example, threat actors may use an initial compromise of one part of Candid's environment (or that of third parties with whom Candid works) to gain access to other parts of Candid's environment, or leverage a compromise of the relevant networks or systems to gain access to the networks or systems of third parties with whom Candid works, such as through phishing or supply chain attacks.

Remote work has increased risks to Candid's information technology systems and data, as more of Candid's employees utilize network connections, computers and devices outside Candid's premises or network, including working at home, while in transit and in public locations.

Future or past business transactions (such as acquisitions or integrations) expose Candid to additional cybersecurity risks and vulnerabilities, as Candid's systems could be negatively affected by vulnerabilities present in acquired or integrated entities' systems and technologies. Furthermore, Candid may discover security issues that were not found during due diligence of such acquired or integrated entities, and it may be difficult to integrate companies into Candid's information technology environment and security program.

Candid relies on third parties to operate critical business systems to process sensitive information in a variety of contexts, including, without limitation, cloud-based infrastructure, data center facilities, encryption and authentication technology, employee email, content delivery, and other functions. Candid's ability to monitor these third parties' information security practices is limited, and these third parties may not have adequate information security measures in place. If the third parties with whom Candid works experience a security incident or other interruption, Candid could experience adverse consequences. While Candid may be entitled to damages if the third parties with whom Candid works fail to satisfy their privacy or security-related obligations to Candid, any award may be insufficient to cover Candid's damages, or Candid may be unable to recover such award.

In addition, supply-chain attacks have increased in frequency and severity, and Candid cannot guarantee that third parties' infrastructure in Candid's supply chain or that of the third parties with whom Candid works have not been compromised.

While Candid has implemented security measures designed to protect against security incidents, there can be no assurance that these measures will be effective. Candid takes steps designed to detect, mitigate, and remediate vulnerabilities in its information systems (such as Candid's hardware and/or software, including that of third parties with whom Candid works). Candid has not and may not in the future, however, detect and remediate all such vulnerabilities including on a timely basis. Further, Candid has and may in the future experience delays in deploying remedial measures and patches designed to address identified vulnerabilities. Vulnerabilities could be exploited and result in a security incident.

Any of the previously identified or similar threats have in the past and may in the future could cause a security incident or other interruption that has in the past and may in the future result in unauthorized, unlawful, or accidental acquisition, modification, destruction, loss, alteration, encryption, disclosure of, or access to Candid's sensitive information or Candid's information technology systems, or those of the third parties with whom Candid works. For example, Candid is aware of an event where a vendor's information systems were compromised, allowing hackers to intercept the vendor's emails and impersonate the vendor in communication with Candid. A security incident or other interruption could disrupt Candid's ability (and that of third parties with whom Candid works) to conduct its business.

Candid has in the past and may in the future expend resources or modify its business activities (including its clinical trial activities) to try to protect against security incidents. Certain data privacy and security obligations require Candid to implement and maintain specific security measures or industry-standard or reasonable security measures to protect Candid's information technology systems and sensitive information.

Applicable data privacy and security obligations may require Candid, or Candid may voluntarily choose, to notify relevant stakeholders, including affected individuals, customers, regulators, and investors, of security incidents, or to take other actions, such as providing credit monitoring and identity theft protection services. Such disclosures and related actions are costly, and the disclosure or the failure to comply with such applicable requirements could lead to adverse consequences.

If Candid (or a third party with whom Candid works) experiences a security incident or is perceived to have experienced a security incident, Candid may experience adverse consequences, such as government enforcement actions (for example, investigations, fines, penalties, audits, and inspections); additional reporting requirements and/or oversight; restrictions on processing sensitive information (including personal data); litigation (including class claims); indemnification obligations; negative publicity; reputational harm; monetary fund diversions; diversion of management attention; interruptions in Candid's operations (including availability of data); financial loss; and other similar harms. Security incidents and attendant consequences may negatively impact Candid's ability to grow and operate its business. For example, the loss of data from clinical trials or similar activities could result in significant delays in our regulatory approval efforts and significantly increase our costs to recover or reproduce the data.

Candid's contracts may not contain limitations of liability, and even where they do, there can be no assurance that limitations of liability in Candid's contracts are sufficient to protect Candid from liabilities, damages, or claims related to Candid's data privacy and security obligations.

Candid cannot be sure that any insurance coverage will be adequate or sufficient to protect Candid from or to mitigate liabilities arising out of Candid's privacy and security practices, that such coverage will continue to be available on commercially reasonable terms or at all, or that such coverage will pay future claims.

In addition to experiencing a security incident, third parties may gather, collect, or infer sensitive information about Candid from public sources, data brokers, or other means that reveals competitively sensitive details about Candid's organization and could be used to undermine Candid's competitive advantage or market position. Additionally, sensitive information of Candid could be leaked, disclosed, or revealed as a result of or in connection with Candid's employees', personnel's, or vendors' use of generative AI technologies.

Candid's business could be affected by litigation, government investigations, and enforcement actions.

Candid currently operates in a number of jurisdictions in a highly regulated industry, and could be subject to litigation, government investigation and enforcement actions on a variety of matters in the United States or foreign jurisdictions, including, without limitation, intellectual property, regulatory, product liability, environmental, whistleblower, false claims, data privacy and security, anti-kickback, anti-bribery, securities, commercial, employment and other claims and legal proceedings that may arise from conducting Candid's business. Any determination that Candid's operations or activities are not in compliance with existing laws or regulations could result in the imposition of fines, civil and criminal penalties, equitable remedies, including disgorgement, injunctive relief and/or other sanctions against Candid, and remediation of any such findings could have an adverse effect on Candid's business operations.

Legal proceedings, government investigations and enforcement actions can be expensive and time-consuming. An adverse outcome resulting from any such proceedings, investigations or enforcement actions could result in significant damages awards, fines, penalties, exclusion from the federal healthcare programs, healthcare debarment, injunctive relief, product recalls, reputational damage and modifications of Candid's business practices, which could have a material adverse effect on Candid's business and results of operations. Even if such a proceeding, investigation, or enforcement action is ultimately decided in Candid's favor, the investigation and defense thereof could require substantial financial and management resources.

Candid's employees and independent contractors, including consultants, vendors and any third parties Candid may engage in connection with development and commercialization may engage in misconduct or other improper activities, including noncompliance with regulatory standards and requirements, which could harm Candid's business.

Misconduct by Candid's employees and independent contractors, including consultants, vendors and any third parties Candid may engage in connection with development and commercialization, could include intentional, reckless or negligent conduct or unauthorized activities that violate: (1) the laws and regulations of the FDA, the EU, EU Member States and comparable foreign regulatory authorities, including those laws that require the reporting of true, complete and accurate information to such authorities; (2) manufacturing standards; (3) data privacy and security laws, and fraud and abuse and other healthcare laws and regulations; or (4) other laws that require the reporting of true, complete and accurate financial information and data. Specifically, sales, marketing and business arrangements in the healthcare industry are subject to extensive laws and regulations intended to prevent fraud, misconduct, kickbacks, self-dealing and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, sales commission, customer incentive programs and other business arrangements. Activities subject to these laws could also involve the improper use or misrepresentation of information obtained in the course of clinical trials, creation of fraudulent data in preclinical studies or clinical trials or illegal misappropriation of drug product, which could result in regulatory sanctions and cause serious harm to Candid's reputation. It is not always possible to identify and deter misconduct by employees and other third parties, and the precautions Candid takes to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting Candid from governmental investigations or other actions or lawsuits stemming from a failure to comply with such laws or regulations. Additionally, Candid is subject

to the risk that a person or government could allege fraud or other misconduct, even if none occurred. If any such actions are instituted against Candid, and Candid is not successful in defending itself or asserting its rights, those actions could have a significant impact on Candid's business and results of operations, including the imposition of significant civil, criminal and administrative penalties, damages, monetary fines, disgorgements, possible exclusion from participation in Medicare, Medicaid, other U.S. federal healthcare programs or healthcare programs in other jurisdictions, integrity oversight and reporting obligations to resolve allegations of non-compliance, imprisonment, other sanctions, contractual damages, reputational harm, diminished profits and future earnings and curtailment of Candid's operations.

Changes in tax laws or regulations that are applied adversely to Candid or its customers may have a material adverse effect on Candid's business, cash flow, financial condition or results of operations.

New U.S. federal, state or foreign income, sales, use, VAT, or other tax laws, statutes, rules, regulations or ordinances could be enacted at any time, which could adversely affect Candid's business operations, cash flows and financial performance. Further, existing tax laws, statutes, rules, regulations or ordinances could be interpreted, changed, modified or applied adversely to Candid. For example, legislation informally titled the TCJA, the CARES Act, the IRA, and the OBBA enacted many significant changes to U.S. tax laws. Future guidance from the IRS and other tax authorities with respect to such legislation may affect Candid, and certain aspects of such legislation could be repealed or modified in future legislation. In addition, it is uncertain if and to what extent various states will conform to such legislation or any newly enacted federal tax legislation. Changes in corporate tax rates, the realization of net deferred tax assets relating to Candid's operations, the taxation of foreign earnings and the deductibility of expenses or future reform legislation could have a material impact on the value of Candid's deferred tax assets, could result in significant one-time charges and could increase Candid's future tax expense.

Candid's ability to use its net operating loss carryforwards and certain other tax attributes may be limited.

As of December 31, 2025, Candid had federal and state NOL carryforwards of approximately \$24.9 million and \$53.7 million, respectively. Candid's federal NOL carryforwards may be carried forward indefinitely but are limited to 80% of taxable income in such taxable year. It is uncertain if and to what extent various states will conform to federal law. There also may be periods during which the use of state NOL carryforwards is suspended or otherwise limited, which could accelerate or permanently increase state taxes owed.

Under Sections 382 and 383 of the Code, and corresponding provisions of state and local law, if a corporation undergoes an "ownership change," which generally is defined as a greater than 50% change, by value, in its equity ownership over a three-year period, the corporation's ability to use its pre-change NOL carryforwards and certain other tax attributes to offset its post-change income or taxes may be limited. Candid may have experienced ownership changes in the past, and Candid may experience ownership changes as a result of subsequent shifts in Candid's stock ownership (including as a result of the Merger), some of which may be outside of Candid's control. If Candid's ability to use its NOL carryforwards and certain other tax attributes is materially limited by any ownership change, it could harm Candid's future results of operations by effectively increasing Candid's future tax obligations.

Investors' expectations of Candid's performance relating to environmental, social and governance factors may impose additional costs and expose Candid to new risks.

There is an increasing focus from certain investors, employees and other stakeholders concerning corporate responsibility, specifically related to environmental, social and governance factors. Some investors may use these factors to guide their investment strategies and, in some cases, may choose not to invest in Candid if they believe Candid's policies relating to corporate responsibility are inadequate. Third-party providers of corporate responsibility ratings and reports on companies have increased to meet growing investor demand for measurement of corporate responsibility performance. The criteria by which companies' corporate responsibility practices are assessed may change, which could result in greater expectations of Candid and cause Candid to undertake costly initiatives to satisfy such new criteria. If Candid elects not to or is unable to satisfy such new criteria, investors may conclude that Candid's policies with respect to corporate responsibility are inadequate. Candid may face reputational damage in the event that Candid's corporate responsibility procedures or standards do not meet the standards set by various constituencies.

Furthermore, if Candid's competitors' corporate responsibility performance is perceived to be greater than Candid's, potential or current investors may elect to invest with Candid's competitors instead. In addition, in the event that

Candid communicates certain initiatives and goals regarding environmental, social and governance matters, Candid could fail, or be perceived to fail, in its achievement of such initiatives or goals, or Candid could be criticized for the scope of such initiatives or goals. If Candid fails to satisfy the expectations of investors, employees and other stakeholders or Candid's initiatives are not executed as planned, Candid's reputation and financial results could be materially and adversely affected.

Candid's business is subject to risks arising from pandemic and epidemic diseases.

The COVID-19 worldwide pandemic presented substantial public health and economic challenges and affected Candid's employees, patients, physicians and other healthcare providers, communities and business operations, as well as the U.S. and global economies and financial markets. Any future pandemic or epidemic disease outbreaks could disrupt the supply chain and the manufacture or shipment of Candid's drug candidates for use in its clinical trials and research and preclinical studies and, delay, limit or prevent Candid's employees and CROs from continuing research and development activities, impede Candid's clinical trial initiation and recruitment and the ability of patients to continue in clinical trials, alter the results of the clinical trial due to disease progression in participants, impede testing, monitoring, data collection and analysis and other related activities, any of which could delay Candid's preclinical studies and clinical trials and increase Candid's development costs, and have a material adverse effect on Candid's business, financial condition and results of operations. Any future pandemic or epidemic disease outbreak could also potentially further affect the business of the FDA or other comparable foreign regulatory authorities, which could result in delays in meetings related to Candid's planned clinical trials, as well as have an adverse impact on global economic conditions, which could have an adverse effect on Candid's business and financial condition, including impairing Candid's ability to raise capital when needed.

Risks Related to the Combined Company

In determining whether you should approve the proposals contained in this proxy statement/prospectus, you should carefully read the following risk factors in addition to the risks described above.

The combined company will need to raise substantial additional financing in the future to fund its operations, which may not be available to it on favorable terms or at all.

The combined company will require substantial additional funds to advance its drug candidates into clinical development and to complete the clinical development of, seek regulatory approvals for and commercialize its drug candidates, if approved. The combined company's future capital requirements will depend upon a number of factors, including: the number, scope, rate of progress and costs of the combined company's planned clinical trials for cizutamig, CND261, CND319 and CND460 and drug discovery and preclinical development activities for any future drug candidates; the number and scope of clinical programs the combined company decides to pursue, including the number of indications it decides to pursue for a particular drug candidate; the scope and costs of manufacturing development for any of the combined company's current or future drug candidates, including commercial manufacturing at scale, if any drug candidate receives marketing approval, including as a result of inflation or any supply chain issues; the costs associated with hiring additional personnel and consultants as the combined company's business grows, including additional research and development personnel; the cost, timing and outcome of regulatory review of cizutamig, CND261, CND319 and CND460 and any future drug candidates; the costs of preparing, filing and prosecuting patent applications, maintaining and enforcing the combined company's intellectual property rights and defending intellectual property-related claims; the terms and timing of establishing and maintaining collaborations, licenses and other similar arrangements; the timing of any milestone and royalty payments to the combined company's existing or future suppliers, collaborators or licensors; the costs associated with enhancing the combined company's operational systems and public reporting and compliance requirements; the extent to which the combined company acquires or in-licenses other drug candidates and technologies; and the costs associated with commercializing cizutamig, CND261, CND319 and CND460 or any future drug candidates, if they receive marketing approval.

Raising additional capital may be costly or difficult to obtain and could significantly dilute stockholders' ownership interests or inhibit the combined company's ability to achieve its business objectives. If the combined company raises additional funds through public or private equity offerings, the terms of these securities may include liquidation or other preferences that adversely affect the rights of its common stockholders. Further, to the extent that the combined company raises additional capital through the sale of common stock or securities convertible or

exchangeable into common stock, its stockholder's ownership interest in the combined company will be diluted. In addition, any debt financing may subject the combined company to fixed payment obligations and covenants limiting or restricting its ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends. If the combined company raises additional capital through marketing and distribution arrangements or other collaborations, strategic alliances or licensing arrangements with third parties, the combined company may have to relinquish certain valuable intellectual property or other rights to its drug candidates, technologies, future revenue streams or research programs or grant licenses on terms that may not be favorable to it. Even if the combined company were to obtain sufficient funding, there can be no assurance that it will be available on terms acceptable to the combined company or its stockholders.

Following the Merger, the combined company may be unable to successfully integrate the businesses of Rallybio and Candid and realize some or all of the anticipated benefits of the Merger.

The Merger involves the combination of two companies which currently operate as independent companies. Following the Merger, the combined company will be required to devote significant management attention and resources to integrating its business practices and operations. The combined company may fail to realize some or all of the anticipated benefits of the Merger if the integration process takes longer than expected or is more costly than expected. Potential difficulties the combined company may encounter in the integration process include the following:

- the inability to successfully combine the businesses of Rallybio and Candid in a manner that permits the combined company to achieve the anticipated benefits from the Merger, which would result in the anticipated benefits of the Merger not being realized partly or wholly in the time frame currently anticipated or at all;
- creation of uniform standards, controls, procedures, policies and information systems; and
- potential unknown liabilities and unforeseen increased expenses, delays or regulatory conditions associated with the Merger.

In addition, Rallybio and Candid have operated and, until the completion of the Merger, will continue to operate, independently. It is possible that the integration process also could result in the diversion of each company's management's attention, the disruption or interruption of, or the loss of momentum in, each company's ongoing businesses or inconsistencies in standards, controls, procedures and policies, any of which could adversely affect the combined company's ability to maintain its business relationships or the ability to achieve the anticipated benefits of the merger, or could otherwise adversely affect the business and financial results of the combined company.

The market price of the combined company's common stock is expected to be volatile, and the market price of the common stock may drop following the Merger.

The market price of the combined company's common stock following the Merger could be subject to significant fluctuations. Market prices for securities of early-stage pharmaceutical, biotechnology and other life sciences companies have historically been particularly volatile. Some of the factors that may cause the market price of the combined company's common stock to fluctuate include:

- the ability of the combined company to obtain regulatory approvals for its drug candidates, and delays or failures to obtain such approvals;
- failure of any of the combined company's drug candidates, if approved, to achieve commercial success;
- failure by the combined company to maintain its existing third-party license and supply agreements;
- failure by the combined company or its licensors to prosecute, maintain, or enforce its intellectual property rights;
- changes in laws or regulations applicable to the combined company's drug candidates;
- any inability to obtain adequate supply of the combined company's drug candidates or the inability to do so at acceptable prices;
- adverse regulatory authority decisions;
- introduction of new products, services or technologies by the combined company's competitors;
- failure to meet or exceed financial and development projections the combined company may provide to the public;

- failure to meet or exceed the financial and development projections of the investment community;
- the perception of the pharmaceutical industry by the public, legislatures, regulators and the investment community;
- announcements of significant acquisitions, strategic collaborations, joint ventures or capital commitments by the combined company or its competitors;
- disputes or other developments relating to proprietary rights, including patents, litigation matters, and the combined company's ability to obtain patent protection for its technologies;
- additions or departures of key personnel;
- significant lawsuits, including patent or stockholder litigation;
- if securities or industry analysts do not publish research or reports about the combined company's business, or if they issue an adverse or misleading opinion regarding its business and stock;
- changes in the market valuations of similar companies;
- general market or macroeconomic conditions;
- sales of its common stock by the combined company or its stockholders in the future;
- trading volume of the combined company's common stock;
- failure to maintain compliance with the listing requirements of Nasdaq;
- announcements by commercial partners or competitors of new commercial products, clinical progress or the lack thereof, significant contracts, commercial relationships or capital commitments;
- adverse publicity generally, including with respect to other products and potential products in such markets;
- the introduction of technological innovations or new therapies that compete with potential products of the combined company;
- changes in the structure of health care payment systems; and
- and period-to-period fluctuations in the combined company's financial results.

Moreover, the stock markets in general have experienced substantial volatility that has often been unrelated to the operating performance of individual companies. These broad market fluctuations may also adversely affect the trading price of the combined company's common stock.

In the past, following periods of volatility in the market price of a company's securities, stockholders have often instituted class action securities litigation against those companies. Such litigation, if instituted, could result in substantial costs and diversion of management attention and resources, which could significantly harm the combined company's profitability and reputation.

Additionally, a decrease in the stock price of the combined company may cause the combined company's common stock to no longer satisfy the continued listing standards of Nasdaq. If the combined company is not able to maintain the requirements for listing on Nasdaq, it could be delisted, which could have a materially adverse effect on its ability to raise additional funds as well as the price and liquidity of its common stock.

The combined company will incur costs and demands upon management as a result of complying with the laws, rules and regulations affecting public companies.

The combined company will incur significant legal, accounting and other expenses that Candid did not incur as a private company, including costs associated with public company reporting requirements.

The combined company will also incur costs associated with corporate governance requirements, including requirements under the laws, rules and regulations of the SEC as well as the Nasdaq rules. These laws, rules and regulations are expected to increase the combined company's legal and financial compliance costs and to make some activities more time consuming and costly. These laws, rules and regulations also may make it difficult and expensive for the combined company to obtain directors' and officers' liability insurance. As a result, it may be more difficult for the combined company to attract and retain qualified individuals to serve on the combined company board of directors or as executive officers of the combined company, which may adversely affect investor confidence in the combined company and could cause the combined company's business or stock price to suffer.

If the assets subject to the Rallybio CVR Agreement are not disposed of in a timely manner, the combined company may have to incur time and resources to wind down or dispose of such assets.

In connection with the Merger, holders of Rallybio Common Stock, pre-funded warrants, restricted stock units and in the money stock options as of the close of business on the last business day prior to the Effective Time will receive one Rallybio CVR for each outstanding share of Rallybio Common Stock, or share underlying an equity award of Rallybio Common Stock, held. Each Rallybio CVR will entitle the holder thereof to certain payments in respect of certain Legacy Assets. Please see the section titled *"Agreements Related to the Merger—Rallybio Contingent Value Rights Agreement."* If Rallybio does not enter into disposition agreements related to such Legacy Assets prior to the Closing, the combined company may need to allocate time and resources to wind down or dispose of such assets. In addition, certain proceeds from such disposition agreements entered into prior to or following the Closing, will be distributed to the holders of the Rallybio CVRs, pursuant to the Rallybio CVR Agreement. As a result, the combined company's stockholders may receive no or limited benefits from any time or resources allocated to such Legacy Assets and such activities may be a distraction to the combined company's management and employees. As a result, the combined company's operations and financial condition may be adversely affected.

Nasdaq may delist the combined company's securities from trading on its exchange, which could limit investors' ability to make transactions in its securities and subject the combined company to additional trading restrictions.

Currently, Rallybio's common stock is publicly traded on Nasdaq. In connection with the proposed Merger, Candid will file an initial listing application with Nasdaq pursuant to Nasdaq's "reverse merger" rules. The combined company will be required to meet the initial listing requirements for its securities to be listed on Nasdaq.

If the combined company fails to meet the Nasdaq listing requirements and their respective boards choose to close the Merger without Nasdaq's approval, then Nasdaq may notify the combined company of its determination to delist the company's securities based upon the failure to satisfy the criteria in the Nasdaq application. For more information, refer to the section titled *"Risk Factors—Risks Related to the Merger—Rallybio or Candid may waive one or more of the conditions to the Merger without recirculation of this proxy statement/prospectus or resoliciting stockholder approval."*

We cannot assure you that the combined company will be able to meet those initial listing requirements. Even if the combined company's securities are so listed, the combined company may be unable to maintain the listing of its securities in the future. In order to continue listing its securities on Nasdaq following the proposed Merger, the combined company will be required to maintain certain financial, distribution and stock price levels. If Nasdaq delists the combined company's securities from trading on its exchange at the Closing (or thereafter) and the combined company is not able to list its securities on another national securities exchange or regain compliance with Nasdaq, the combined company's securities could be quoted on an over-the-counter market. If this were to occur, the combined company could face significant material adverse consequences, including:

- a limited availability of market quotations for its securities;
- reduced liquidity for its securities;
- a determination that the combined company's common stock is a "penny stock" which will require brokers trading in the combined company's common stock to adhere to more stringent rules and possibly result in a reduced level of trading activity in the secondary trading market for our securities;
- a limited amount of news and analyst coverage; and
- a decreased ability to issue additional securities or obtain additional financing in the future.

The National Securities Markets Improvement Act of 1996, which is a federal statute, prevents or preempts states from regulating the sale of certain securities, which are referred to as "covered securities." Since the Rallybio Common Stock is listed on Nasdaq, they are covered securities. Although states are preempted from regulating the sale of covered securities, the federal statute does allow states to investigate companies if there is a suspicion of fraud, and, if there is a finding of fraudulent activity, then states can regulate or bar the sale of covered securities in a particular case. If Rallybio was no longer listed on Nasdaq, its securities would not be covered securities and it would be subject to regulation in each state in which it offers its securities, including in connection with the Merger.

Provisions in the combined company's amended and restated certificate of incorporation, the combined company's amended and restated bylaws and Delaware law may have anti-takeover effects that could discourage an acquisition of the combined company by others, even if an acquisition would be beneficial to the combined company's stockholders, and may prevent attempts by the combined company's stockholders to replace or remove the combined company's current management.

The amended and restated certificate of incorporation and amended and restated bylaws of the combined company will be the amended and restated certificate of incorporation and amended and restated bylaws of Rallybio, which, along with Delaware law will contain provisions that may have the effect of discouraging, delaying or preventing a change in control of the combined company or changes in the combined company's management that stockholders may consider favorable, including transactions in which the combined company's stockholders might otherwise receive a premium for their shares. The combined company's amended and restated certificate of incorporation and bylaws will include provisions that:

- authorize "blank check" preferred stock, which could be issued by the combined company's board of directors without stockholder approval and may contain voting, liquidation, dividend and other rights superior to the combined company's common stock;
- create a classified board of directors whose members serve staggered three-year terms;
- specify that special meetings of the combined company's stockholders can be called only by the combined company's 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 the combined company's stockholders, including proposed nominations of persons for election to the combined company's board of directors;
- provide that vacancies on the combined company's board of directors may be filled only by a majority of directors then in office, even though less than a quorum;
- provide that the combined company's directors may be removed only for cause;
- specify that no stockholder is permitted to cumulate votes at any election of directors;
- expressly authorize the combined company's board of directors to modify, alter or repeal the combined company's amended and restated bylaws; and
- require supermajority votes of the holders of the combined company's common stock to amend specified provisions of the combined company's amended and restated certificate of incorporation and amended and restated bylaws.

These provisions, alone or together, could delay or prevent hostile takeovers and changes in control or changes in the combined company's management. These provisions could also limit the price that investors might be willing to pay in the future for shares of the combined company's common stock, thereby depressing the market price of the combined company's common stock.

In addition, because the combined company will be incorporated in the State of Delaware, the combined company will be governed by the provisions of Section 203 of the General DGCL which will prohibit a person who owns in excess of 15% of the combined company's outstanding voting stock from merging or combining with the combined company for a period of three years after the date of the transaction in which the person acquired in excess of 15% of the combined company's outstanding voting stock, unless the merger or combination is approved in a prescribed manner.

Any provision of the combined company's amended and restated certificate of incorporation, amended and restated bylaws or Delaware law that has the effect of delaying or deterring a change in control could limit the opportunity for the combined company's 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 the combined company's common stock.

The combined company's amended and restated certificate of incorporation will designate the state or federal courts within the State of Delaware as the exclusive forum for certain types of actions and proceedings that may be initiated by the combined company's stockholders, which could limit the combined company's stockholders' ability to obtain a favorable judicial forum for disputes with the combined company or its directors, officers or employees.

The combined company's amended and restated certificate of incorporation, which will be Rallybio's amended and restated certificate of incorporation, will provide that, subject to limited exceptions, the state or federal courts (as appropriate) within the State of Delaware will be exclusive forums for (1) any derivative action or proceeding brought on the combined company's behalf, (2) any action asserting a claim of breach of a fiduciary duty owed by any of the combined company's directors, officers or other employees to the combined company or its stockholders, (3) any action asserting a claim against the combined company arising pursuant to any provision of the DGCL, the combined company's amended and restated certificate of incorporation or the combined company's amended and restated bylaws, (4) action against the combined company or any of its directors or officers involving a claim or defense arising pursuant to the Exchange Act or the Securities Act, or (5) any other action asserting a claim against the combined company that is governed by the internal affairs doctrine. Any person or entity purchasing or otherwise acquiring any interest in shares of the combined company's capital stock shall be deemed to have notice of and to have consented to the provisions of the combined company's amended and restated certificate of incorporation described above. This exclusive forum provision will not apply to claims which are vested in the exclusive jurisdiction of a court or forum other than the Court of Chancery of the State of Delaware, or for which the Court of Chancery of the State of Delaware does not have subject matter jurisdiction. For instance, the provision will not apply to actions arising under federal securities laws, including suits brought to enforce any liability or duty created by the Exchange Act or the rules and regulations thereunder. This choice of forum provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with the combined company or its directors, officers or other employees, which may discourage such lawsuits against the combined company and its directors, officers and employees. Alternatively, if a court were to find these provisions of the combined company's amended and restated certificate of incorporation inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings, the combined company may incur additional costs associated with resolving such matters in other jurisdictions, which could adversely affect the combined company's business and financial condition. In addition, while the Delaware Supreme Court ruled in March 2020 that federal forum selection provisions purporting to require claims under the Securities Act be brought in federal court are "facially valid" under Delaware law, there is uncertainty as to whether other courts will enforce the combined company's federal forum provision. If the federal forum provision is found to be unenforceable, the combined company 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.

Rallybio and Candid do not anticipate that the combined company will pay any cash dividends in the foreseeable future.

The current expectation is that the combined company will retain its future earnings, if any, to fund the development and growth of the combined company's business. As a result, capital appreciation, if any, of the common stock of the combined company will be its stockholders' sole source of gain, if any, for the foreseeable future.

An active trading market for the combined company's common stock may not develop and its stockholders may not be able to resell their shares of common stock for a profit, if at all.

Prior to the Merger, there had been no public market for Candid's common stock. An active trading market for the combined company's shares of common stock may never develop or be sustained. If an active market for its common stock does not develop or is not sustained, it may be difficult for its stockholders to sell their shares at an attractive price or at all.

Future sales of shares by existing stockholders could cause the combined company's stock price to decline.

If existing stockholders of Rallybio and Candid sell, or indicate an intention to sell, substantial amounts of the combined company's common stock in the public market after legal restrictions on resale discussed in this proxy statement/prospectus lapse, including upon the expiration or release of lock-up restrictions pursuant to the terms of the Lock-Up Agreements, the trading price of the common stock of the combined company could decline. Neither Rallybio nor Candid is able to predict the effect that sales may have on the prevailing market price of the combined company's common stock.

If equity research analysts do not publish research or reports, or publish unfavorable research or reports, about the combined company, its business or its market, its stock price and trading volume could decline.

The trading market for the combined company's common stock will be influenced by the research and reports that equity research analysts publish about it and its business. Equity research analysts may elect not to provide research coverage of the combined company's common stock after the completion of the Merger, and such lack of research coverage may adversely affect the market price of its common stock. In the event it does have equity research analyst coverage, the combined company will not have any control over the analysts, or the content and opinions included in their reports. The price of the combined company's common stock could decline if one or more equity research analysts downgrade its stock or issue other unfavorable commentary or research. If one or more equity research analysts ceases coverage of the combined company or fails to publish reports on it regularly, demand for its common stock could decrease, which in turn could cause its stock price or trading volume to decline.

The unaudited pro forma condensed combined financial statements included in this proxy statement/prospectus are presented for illustrative purposes only and may not be an indication of the combined company's financial condition or results of operations following the completion of the Merger.

The unaudited pro forma condensed combined financial statements contained in this proxy statement/prospectus are presented for illustrative purposes only and may not be an indication of the combined company's financial condition or results of operations following the Merger for several reasons. The unaudited pro forma condensed combined financial statements have been derived from the historical audited financial statements of Rallybio and Candid for the year ended December 31, 2025 and certain adjustments and assumptions have been made regarding the combined company after giving effect to the Merger. The information upon which these adjustments and assumptions have been made is preliminary, and these kinds of adjustments and assumptions are difficult to make with accuracy. Moreover, the unaudited pro forma condensed combined financial statements do not reflect all costs that are expected to be incurred by the combined company in connection with the Merger. For example, the impact of any incremental costs incurred in integrating the two companies is not reflected in the unaudited pro forma condensed combined financial statements. As a result, the actual financial condition of the combined company following the Merger may not be consistent with, or evident from, these unaudited pro forma condensed combined financial statements. The assumptions used in preparing the unaudited pro forma condensed combined financial statements may not prove to be accurate, and other factors may affect the combined company's financial condition following the Merger. For more information, please see the section titled "Unaudited Pro Forma Condensed Combined Financial Information" in this proxy statement/prospectus.

If the combined company fails to maintain proper and effective internal controls, its ability to produce accurate financial statements on a timely basis could be impaired.

The combined company will be subject to the reporting requirements of the Exchange Act, the Sarbanes-Oxley Act and the rules and regulations of Nasdaq. The Sarbanes-Oxley Act requires, among other things, that the combined company maintain effective disclosure controls and procedures and internal control over financial reporting. The combined company must perform system and process evaluation and testing of its internal control over financial reporting to allow management to report on the effectiveness of its internal controls over financial reporting in its Annual Report on Form 10-K filing for that year, as required by Section 404 of the Sarbanes-Oxley Act. As a private company, Candid has never been required to test its internal controls within a specified period. This will require that the combined company incur substantial professional fees and internal costs to expand its accounting and finance functions and that it expends significant management efforts. The combined company may experience difficulty in meeting these reporting requirements in a timely manner.

The combined company may discover weaknesses in its system of internal financial and accounting controls and procedures that could result in a material misstatement of its financial statements. The combined company's internal control over financial reporting will not prevent or detect all errors and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud will be detected.

If the combined company is not able to comply with the requirements of Section 404 of the Sarbanes-Oxley Act, or if it is unable to maintain proper and effective internal controls, the combined company may not be able to produce

timely and accurate financial statements. If that were to happen, the market price of its common stock could decline and it could be subject to sanctions or investigations by Nasdaq, the SEC or other regulatory authorities.

If the combined company fails to attract and retain management and other key personnel, it may be unable to continue to successfully develop or commercialize its drug candidates or otherwise implement its business plan.

The combined company's ability to compete in the highly competitive pharmaceuticals industry depends on its ability to attract and retain highly qualified managerial, scientific, medical, legal, sales and marketing and other personnel. The combined company will be highly dependent on its management and scientific personnel. The loss of the services of any of these individuals could impede, delay, or prevent the successful development of the combined company's product pipeline, completion of its planned clinical trials, commercialization of its drug candidates or in-licensing or acquisition of new assets and could impact negatively its ability to implement successfully its business plan. If the combined company loses the services of any of these individuals, it might not be able to find suitable replacements on a timely basis or at all, and its business could be harmed as a result. The combined company might not be able to attract or retain qualified management and other key personnel in the future due to the intense competition for qualified personnel among biotechnology, pharmaceutical and other businesses.

The combined company is expected to take advantage of reduced disclosure and governance requirements applicable to smaller reporting companies and emerging growth companies, which could result in its common stock being less attractive to investors.

Following the Merger, the combined company is expected to continue to be eligible to use the reduced disclosure requirements applicable to smaller reporting companies until the next determination date, in accordance with the rules of the SEC. In addition, the combined company is expected to be an emerging growth company until the earlier of (i) the last day of the fiscal year in which the combined company has total annual gross revenues of \$1.235 billion or more; (ii) December 31, 2026; (iii) the date on which the combined company has issued more than \$1 billion in nonconvertible debt during the previous three years; or (iv) the date on which the combined company is deemed to be a large accelerated filer under the rules of the SEC, which means the market value of the combined company's common stock that is held by non-affiliates exceeds \$700 million as of the last business day of the combined company's second fiscal quarter. As an emerging growth company and/or smaller reporting company, the combined company will be able to take advantage of reduced disclosure requirements, such as simplified executive compensation disclosures and reduced financial statement disclosure requirements in its SEC filings. Decreased disclosures in the combined company's SEC filings due to its status as an emerging growth company and/or smaller reporting company may make it harder for investors to analyze its results of operations and financial prospects. Rallybio and Candid cannot predict if investors will find the combined company's common stock less attractive if it relies on these exemptions. If some investors find its common stock less attractive as a result, there may be a less active trading market for its common stock and its stock price may be more volatile. The combined company may take advantage of the reporting exemptions applicable to a smaller reporting company until it is no longer a smaller reporting company, which status would end once it has a public float greater than \$250 million as of the last business day of the combined company's second fiscal quarter. In that event, the combined company could still be a smaller reporting company if its annual revenues were below \$100 million and it has a public float of less than \$700 million as of the last business day of the combined company's second fiscal quarter.

Changes in tax laws may materially adversely affect the combined company's business, prospects, financial condition and operating results.

New tax laws, statutes, rules, regulations or ordinances could be enacted at any time, which could adversely affect the combined company's business, prospects, financial condition and operating results. Further, existing tax laws, statutes, rules, regulations or ordinances could be interpreted, changed, modified or applied adversely to the combined company. For example, the TCJA, the CARES Act, the IRA, and the OBBBA enacted many significant changes to the U.S. tax laws. Future guidance from the IRS and other tax authorities with respect to such legislation may affect the combined company, and certain aspects of such legislation could be repealed or modified in future legislation. Such tax law changes could have a material adverse impact on the combined company. In addition, it is uncertain if and to what extent various states will conform to newly enacted federal tax legislation. While it is too early to assess the overall impact of these changes, as these and other tax laws and related regulations are revised, enacted, and implemented, the combined company's financial condition, results of operations, and cash flows could be materially adversely impacted.

The combined company's ability to use net operating loss carryforwards and other tax attributes may be limited, including as a result of the Merger.

Each of Rallybio and Candid has incurred losses during its history, and the combined company does not expect to become profitable in the near future and may never achieve profitability. To the extent that the combined company continues to generate taxable losses, unused losses will carry forward to offset future taxable income, if any, until such unused losses expire, if at all. As of December 31, 2025, Rallybio had U.S. federal NOL carryforwards and state NOL carryforwards of \$183.3 million and \$181.6 million, respectively, and Candid had U.S. federal and state NOL carryforwards of approximately \$24.9 million and \$53.7 million, respectively. Under current law, U.S. federal NOL carryforwards generated in taxable periods beginning after December 31, 2017, may be carried forward indefinitely, but the deductibility of such NOL carryforwards is limited to 80% of taxable income. It is uncertain if and to what extent various states will conform to federal law. In addition, under Sections 382 and 383 of the Code, federal NOL carryforwards and other tax attributes may become subject to an annual limitation in the event of certain cumulative changes in ownership. An "ownership change" pursuant to Section 382 of the Code generally occurs if one or more stockholders or groups of stockholders who own at least 5% of a company's stock increase their ownership by more than 50 percentage points over their lowest ownership percentage within a rolling three-year period. The combined company's ability to utilize its NOL carryforwards and other tax attributes to offset future taxable income or tax liabilities may be limited as a result of ownership changes, including potential changes in connection with the Merger or other transactions. Similar rules may apply under state tax laws. If the combined company earns taxable income, such limitations could result in increased future income tax liability to the combined company, and the combined company's future cash flows could be adversely affected.

MARKET PRICE AND DIVIDEND INFORMATION

Rallybio Common Stock is currently listed on Nasdaq under the symbol "RLYB." The closing price of the Rallybio Common Stock on February 27, 2026, the last day of trading prior to the announcement of the Merger, as reported on Nasdaq, was \$7.54 per share. The closing price of the Rallybio Common Stock on _____, 2026, the last practicable date before the date of this proxy statement/prospectus, as reported on Nasdaq, was \$ _____ per share.

Because the market price of the Rallybio Common Stock is subject to fluctuation, the market value of the shares of the Rallybio Common Stock that the Candid stockholders will be entitled to receive in the Merger may increase or decrease.

Candid is a private company and shares of Candid Capital Stock are not publicly traded.

Assuming approval of Proposal Nos. 1, 2 and 3 and the Closing, following the consummation of the Merger, the Rallybio Common Stock will trade on The Nasdaq Capital Market under Rallybio's new name, "Candid Therapeutics, Inc." and new trading symbol "CDRX".

As of _____, 2026, the record date for the Rallybio annual meeting, there were approximately _____ registered holders of record of Rallybio Common Stock. As of _____, 2026, Candid had _____ holders of record of Candid Common Stock and _____ holders of record of Candid Preferred Stock. For detailed information regarding the beneficial ownership of certain Rallybio stockholders and Candid stockholders, see the sections of this proxy statement/prospectus titled "*Principal Stockholders of Rallybio*" and "*Principal Stockholders of Candid*."

Dividends

Rallybio has never declared or paid any cash dividends on Rallybio Common Stock and does not anticipate paying cash dividends on Rallybio Common Stock for the foreseeable future. Any determination to pay cash dividends subsequent to the Merger will be at the discretion of the combined company's then-current board of directors and will depend upon a number of factors, including the combined company's results of operations, financial condition, future prospects, contractual restrictions, restrictions imposed by applicable law and other factors the then-current board of directors deems relevant.

Candid has never paid or declared any cash dividends on Candid Capital Stock, does not anticipate paying any cash dividends on the Candid Capital Stock in the foreseeable future, and intends to retain all available funds and any future earnings to fund the development and expansion of its business. Any future determination to pay dividends will be at the discretion of the Candid Board and will depend upon a number of factors, including its results of operations, financial condition, future prospects, contractual restrictions, and restrictions imposed by applicable laws and other factors the Candid Board deems relevant.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This proxy statement/prospectus contains or incorporates statements that constitute forward-looking statements within the meaning of the federal securities laws in relation to Rallybio, Candid, the Merger and the other proposed transactions contemplated thereby. Any express or implied statements that do not relate to historical or current facts or matters are forward-looking statements. In addition, any statements that refer to projections, forecasts or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as "may," "will," "could," "should," "would," "expects," "intends," "plans," "anticipates," "believes," "estimates," "predicts," "projects," "forecasts," "seeks," "target," "endeavor," "potential," "continue" or the negative of these terms or other comparable terminology, but the absence of these words does not mean that a statement is not forward-looking. These forward-looking statements are based on current expectations and beliefs concerning future developments and their potential effects. There can be no assurance that future developments affecting Rallybio, Candid or the proposed transaction will be those that have been anticipated. These forward-looking statements involve a number of risks, uncertainties (some of which are beyond Rallybio's or Candid's control) or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. In addition to other factors and matters contained in or incorporated by reference in this document, Rallybio believes the following factors could cause actual results to differ materially from those discussed in the forward-looking statements:

- the risk that the conditions to the closing of the transaction are not satisfied, including the failure to timely obtain stockholder approval for the Merger Agreement and the transactions contemplated thereby, if at all;
- Rallybio's and Candid's ability to meet expectations regarding the timing and completion of the Merger;
- the risk that the Concurrent Financing is not completed in a timely manner or at all;
- uncertainties as to the timing of the consummation of the Merger and the ability of each of Rallybio and Candid to consummate the Merger and the other Contemplated Transactions, including the Concurrent Financing;
- risks related to Rallybio's continued listing on the Nasdaq Capital Market until Closing and the ability for the combined company to list on Nasdaq;
- expectations regarding the strategies, prospects, plans, expectations and objectives of management of Candid for future operations of the combined company following the Closing;
- the ability of the combined company to recognize the benefits that may be derived from the Merger, including the commercial or market opportunity of the drug candidates of Candid and the combined company;
- the possibility that Rallybio CVR holders may never receive any proceeds pursuant to the Rallybio CVR Agreement;
- the risk that as a result of adjustments to the Exchange Ratio, Rallybio stockholders and Candid stockholders could own more or less of the combined company than is currently anticipated;
- risks related to the market price of Rallybio Common Stock relative to the value suggested by the Exchange Ratio;
- risks related to Rallybio's and Candid's ability to correctly estimate their respective operating expenses and expenses associated with the transaction, uncertainties regarding the impact any delay in the closing would have on the anticipated cash resources of the combined company upon Closing and other events and unanticipated spending and costs that could reduce the combined company's cash resources;
- the occurrence of any event, change or other circumstance or condition that could give rise to the termination of the Merger Agreement;
- the fact that under the terms of the Merger Agreement, Rallybio and Candid are restrained from soliciting other acquisition proposals during the pendency of the Merger, except in certain circumstances;
- the effect of the announcement or pendency of the Merger on Rallybio's or Candid's business relationships, operating results and business generally, including disruption of Rallybio's and Candid's management's

attention from ongoing business operations due to the Merger and potential adverse reactions or changes to business relationships resulting from the announcement or completion of the transaction;

- the risk that the Merger Agreement may be terminated in circumstances that require Rallybio or Candid to pay a termination fee;
- the outcome of any legal proceedings that may be instituted against Rallybio, Candid or any of their respective directors or officers related to the Merger Agreement or the transactions contemplated thereby;
- the ability of Candid to maintain and protect its intellectual property rights;
- competitive responses to the Merger;
- legislative, regulatory, political and economic developments beyond the parties' control;
- Rallybio's public securities' potential liquidity and trading;
- the initiation, timing and success of clinical trials for cizutamig, CND261, CND319, CND460 and any future drug candidates of Candid and unexpected costs that may result therefrom;
- risks related to the failure to realize any value from drug candidates and preclinical programs being developed and anticipated to be developed in light of inherent risks and difficulties involved in successfully bringing drug candidates to market;
- success in recruiting and retaining, or changes required in, Candid's officers, key employees or directors;
- regulatory actions with respect to cizutamig, CND261, CND319, CND460 or any future drug candidates of Candid or its competitors' products and drug candidates;
- Candid's ability to manufacture cizutamig, CND261, CND319, CND460 and any future drug candidates in conformity with the FDA's requirements and to scale up manufacturing of its drug candidates to commercial scale, if approved;
- Candid's reliance on third-party CDMOs to manufacture and supply cizutamig, CND261, CND319, CND460 and any future drug candidates;
- the risk that Candid may not be able to establish collaborations on commercially reasonable terms or realize the anticipated benefits of any collaboration;
- Candid's ability to successfully commercialize cizutamig, CND261, CND319, CND460 and any future drug candidates, if approved, the rate and degree of market acceptance of cizutamig, CND261, CND319, CND460 and any future drug candidates and the favorability of pricing regulations, reimbursement practices from third-party payors or healthcare reform initiatives in the United States and abroad;
- Candid's ability to successfully identify and validate new drug candidates or additional indications for cizutamig, CND261, CND319 or CND460;
- the risk of lawsuits related to cizutamig, CND261, CND319, CND460 or any future drug candidates of Candid;
- the risk that Candid, or its CROs, CDMOs, service providers, current and potential future partners or other third parties upon which it relies, could experience a security incident, system disruption or failure, data loss, cyberattack, or similar event that could compromise the confidentiality, integrity and availability of systems and data;
- the sufficiency of Candid's internal controls and procedures and its ability to remediate any material weaknesses;
- developments and projections relating to Candid's competitors, its industry or the market opportunities for cizutamig, CND261, CND319, CND460 or any future drug candidates; and
- economic, regulatory, political, geopolitical (including military conflicts and threatened hostilities), environmental and public health developments in the United States and foreign countries.

Should one or more of these risks or uncertainties materialize, or should any of Rallybio's or Candid's assumptions prove incorrect, actual results may vary in material respects from those projected in these forward-looking statements. There may be additional risks that Rallybio considers immaterial or which are unknown. You are urged to carefully review the disclosures Rallybio and Candid make concerning these risks and other factors that may affect Rallybio's and Candid's business and operating results under the section titled "*Risk Factors*" of this proxy statement/prospectus. Additional factors that could cause actual results to differ materially from those expressed in

the forward-looking statements are discussed in reports filed with the SEC by Rallybio. Please see the section titled “*Where You Can Find More Information*” of this proxy statement/prospectus. There can be no assurance that the Merger will be completed, or if it is completed, that it will be completed within the anticipated time period or that the expected benefits of the Merger will be realized.

If any of these risks or uncertainties materialize or any of these assumptions prove incorrect, the results of Rallybio, Candid or the combined company could differ materially from the forward-looking statements. Any public statements or disclosures by Rallybio and Candid following this proxy statement/prospectus that modify or impact any of the forward-looking statements contained in this proxy statement/prospectus will be deemed to modify or supersede such statements in this proxy statement/prospectus. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this document. Rallybio and Candid do not intend, and undertake no obligation, to update any forward-looking information to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events, unless required by law to do so.

THE MERGER

Background of the Merger

The following chronology summarizes the material meetings and events that led to the execution of the Merger Agreement. It does not purport to catalog every discussion or interaction among the Rallybio Board, members of Rallybio's senior management or Rallybio's advisors or other parties and their respective financial advisors, legal advisors, affiliates or other representatives.

In an effort to enhance stockholder value, the Rallybio Board, together with senior management, regularly reviews and discusses Rallybio's near and long-term operating and strategic priorities. Among other things, these reviews and discussions have focused on the opportunities and risks associated with Rallybio's development programs and financial condition, as well as its strategic relationships and potential long-term strategic options.

Since inception, Rallybio's mission has been to develop and commercialize life-transforming therapies for patients with severe and rare diseases. Rallybio built a broad pipeline with product candidates aimed at addressing diseases with unmet medical need in the areas of maternal fetal health, complement dysregulation, hematology, and metabolic disorders.

In January 2025, Rallybio and Recursion, which each owned one-half of the membership interests of RE Ventures I, LLC ("REV-I"), a joint venture developing a product candidate for the treatment of patients with hypophosphatasia, began discussing potential transactions between the parties. After extensive discussion, the parties agreed to pursue a sale by Rallybio of its interests in REV-I to Recursion (the "JV Sale").

On February 24, 2025, Nasdaq notified Rallybio that Rallybio was not in compliance with Nasdaq's listing rules because the closing bid price of Rallybio's common stock had been below \$1.00 per share for 30 consecutive business days. Nasdaq noted that Rallybio had until August 25, 2025 to cure the deficiency and regain compliance.

On April 8, 2025, Rallybio announced that it had discontinued its lead clinical program, RLYB212 for the prevention of fetal and neonatal alloimmune thrombocytopenia, based on pharmacokinetic data from its Phase 2 clinical trial. Rallybio announced that it would focus on advancing RLYB116, a once-weekly small volume C5 inhibitor for the treatment of complement-driven diseases, as well as its other emerging preclinical programs.

After Rallybio's April 8, 2025 announcement, representatives of Party A, a healthcare focused investment fund, contacted Rallybio to propose a potential transaction pursuant to which Rallybio would acquire a recently formed company owned primarily by Party A and the parties would concurrently complete a private placement financing to fund the combined business. Rallybio and Party A had entered into a mutual confidentiality agreement that did not include a standstill in connection with prior discussions about a potential investment by in Rallybio by Party A. Rallybio management and Party A held multiple meetings in April 2025 to discuss each company's product candidates and the proposed structure, including a potential reverse merger or asset purchase, and terms of the transaction.

On April 15, 2025, Rallybio received a proposal to acquire Rallybio for approximately \$1 per share from a third party (the "April 2025 Proposal"), which amount valued Rallybio at less than the amount of cash and cash equivalents held by Rallybio on such date.

On May 2, 2025, the Rallybio Board held a meeting attended by members of management. During the meeting, the Rallybio Board discussed a proposed workforce reduction to streamline operations following the discontinuation of the RLYB212 program and to reduce Rallybio's cash burn rate. The Rallybio Board considered the terms of the workforce reduction and impact on Rallybio's operations and, following discussion, approved the separation of approximately 40% of Rallybio's employees. The Rallybio Board then discussed Rallybio's depressed market value and its past and current challenges to obtain financing, particularly in light of difficult market conditions for the biotechnology industry. It also considered the ongoing discussions with Party A, the potential JV Sale and other recent interactions with third parties regarding strategic transactions and financings, including discussions with privately held companies about potential reverse mergers and opportunities to monetize RLYB116. The Rallybio Board also reviewed the April 2025 Proposal and, following discussion, concluded that the proposal did not properly

value Rallybio's existing programs and it was not in the best interests of Rallybio's stockholders to pursue the April 2025 Proposal at that time. The Rallybio Board then directed management to continue discussions with Party A and other third parties about potential business combination transactions.

On May 13, 2025, the Rallybio Board held a meeting attended by representatives of management and Rallybio's financial and legal advisors at Evercore Group L.L.C. ("Evercore") and Ropes & Gray LLP ("Ropes & Gray"), respectively. During the meeting, management presented about the development plans, timelines and costs for Rallybio's product candidates and provided an overview of certain business development matters, including the JV Sale, discussions with Party A, and potential collaboration partners for RLYB116. A representative of Ropes & Gray reviewed director fiduciary duties, including in connection with the potential business development options being considered. Representatives of Evercore then reviewed biotech market trends and financing challenges, certain potential strategic alternatives available to Rallybio, including a sale of Rallybio, a reverse merger, selling certain assets, remaining a standalone independent company or winding down, and a potential process to evaluate the various alternatives and prospective counterparties. The Rallybio Board asked questions of management and Rallybio's advisors and discussed parties that should be contacted about potential transactions, based on recommendations from management and the advisors, as well as the Rallybio Board's experience in the biotech sector. Following discussion, the Rallybio Board directed management to continue discussions with Party A and Recursion, as well as to initiate a confidential process to explore strategic alternatives, including a reverse merger or sale of Rallybio.

On May 21, 2025, the Rallybio Board held a meeting attended by representatives of management and Evercore. Management presented a proposal from Party A for a reverse merger, which ascribed a value of \$25 million to Rallybio, which would result in Rallybio's stockholders owning 15% of the combined company following the proposed merger but without accounting for a concurrent equity financing that was contemplated to raise between \$50-65 million. The Rallybio Board discussed, among other things, precedent transactions; the value being ascribed by Party A to Rallybio's current programs, management team and public listing; the viability of Party A's product candidate and development plans; the financing requirements of the combined company; and potential contingent value rights to be issued to Rallybio's stockholders to deliver value based on the development or divestiture of Rallybio's current programs. Following discussion, the Rallybio Board directed management to deliver a counterproposal to Party A and continue discussions. Representatives of Evercore then described potential timelines and approaches for outreach to third parties to evaluate other potential strategic alternatives. Following the discussion, the Rallybio Board directed representatives of Evercore to commence outreach to parties as previously discussed with the Rallybio Board at its meeting on May 13, 2025 to solicit proposals for a potential reverse merger with, or acquisition of, Rallybio. The Rallybio Board also agreed to hold regular meetings to receive updates about the strategic process and to provide guidance to management and the advisors.

On May 22, 2025, Rallybio provided a proposal to Party A that ascribed a value of \$55 million to Rallybio, which would result in Rallybio's stockholders owning 35% of the combined company following the proposed merger but without accounting for the proposed concurrent financing that Rallybio proposed to be \$60 million. In addition, Rallybio's stockholders would receive contingent value rights that would entitle them to a pro rata share of proceeds from any divestiture of Rallybio's legacy assets. Party A delivered a response on May 26, 2025 that ascribed a value of \$41 million to Rallybio, which would result in Rallybio's stockholders owning 30% of the combined company following the proposed merger but prior to a concurrent financing.

On June 2, 2025 and June 4, 2025, the Rallybio Board held meetings attended by representatives of management and Evercore. Management provided updates on discussions with Party A, including Rallybio's and Party A's recent proposals, and also shared their perspectives on valuation of Rallybio. Representatives of Evercore noted that it had commenced outreach to potential counterparties regarding a potential reverse merger or acquisition, and the representatives provided feedback about initial engagement with third parties. Following discussion, the Rallybio Board directed management to continue negotiations with Party A and representatives of Evercore to continue its outreach.

On June 18, 2025, the Rallybio Board held a meeting attended by representatives of management and Evercore. Rallybio management noted that Rallybio and Party A had agreed on the material economic terms of a potential reverse merger transaction, including that Rallybio's stockholders would own between 19.5-22.5% of the combined

company after completing the proposed merger and concurrent financing, and that Rallybio's stockholders would receive contingent value rights that would entitle them to proceeds from the divestiture of any Rallybio assets. The Rallybio Board and management discussed next steps for the proposed transaction, including outreach to potential investors for the concurrent financing.

On June 25, 2025, the Rallybio Board held a meeting attended by representatives of management, Evercore and Ropes & Gray. Management provided an update on discussions with Recursion, as well as the anticipated economics and documentation for the JV Sale. Representatives of Evercore then provided an update on its outreach to third parties, noting that, at the direction of the Rallybio Board, it had initially contacted 16 privately held companies and healthcare-focused investment funds to gauge interest in a potential reverse merger, held calls with 12 of such companies and funds and delivered process letters to 10 of such potential counterparties, requesting bids by June 24, 2025. To date, three companies had submitted written proposals and one more was expected. Representatives of Evercore then provided a summary of such proposals and noted that it had contacted 17 strategic parties to inquire about their interest in acquiring Rallybio. Evercore held initial calls with 14 of such potential strategic parties and delivered process letters requesting bids by July 1, 2025. Rallybio granted access to a data room containing non-public information to six parties, each of which had previously signed a confidentiality agreement that either did not include a standstill or included a standstill that permitted the counterparty to request a waiver. No party had yet delivered a written proposal to acquire Rallybio in response to the outreach. The Rallybio Board asked questions about the proposals and discussed the proposed terms and process to evaluate each of the bids. The Rallybio Board directed the representatives of Evercore to continue its discussions with interested parties and directed management to conduct due diligence on the counterparties and their current programs.

On July 8, 2025, Rallybio entered into an agreement for the JV Sale (the "ENPP1 Purchase Agreement"), which provided that Rallybio would receive as upfront consideration shares of Recursion's common stock and additional payments of Recursion stock and cash upon achievement of certain development and clinical milestones, as well as low single digit royalties on annual net sales of certain products developed and sold by REV-I. The consideration from the transaction was expected to extend Rallybio's anticipated cash runway into at least the middle of 2027.

On July 9, 2025, the Rallybio Board held a meeting attended by representatives of management, Evercore and Ropes & Gray. Management provided an update on strategic alternatives, noting that it was continuing discussions with a few parties that expressed interest in acquiring RLYB116 and a few potential reverse merger counterparties. Management also noted that it was conducting diligence about the scientific and commercial viability of the programs being developed by the reverse merger counterparties. Representatives of Evercore stated that no parties had submitted a proposal to acquire Rallybio. However, one party had submitted a proposal to acquire RLYB116 for \$11 million upfront, and two other parties had indicated they would submit proposals to acquire RLYB116. Representatives of Evercore also noted that Rallybio had received, in addition to the existing proposal from Party A, proposals from five parties contemplating a reverse merger. Representatives of Evercore summarized the terms of each proposal and discussed recent management presentations with two potential reverse merger counterparties.

On July 16, July 23 and July 30, 2025, the Rallybio Board held meetings attended by representatives of management, Evercore and Ropes & Gray. During each meeting, management provided updates on discussions with, and diligence of, counterparties regarding each strategic alternative being evaluated by the Rallybio Board. Management also provided an overview of its work with Party A to prepare a presentation for investors about the potential opportunity, which could be used to market the potential concurrent offering.

On July 28, 2025, Rallybio entered into an engagement letter with Evercore related to its services and advice in connection with potential transactions.

On August 5, 2025, the placement agents for a potential offering that would occur concurrently with a reverse merger transaction with Party A held an organizational call with Rallybio management and legal counsel to discuss the terms, process and documentation for such an offering.

On August 6, the Rallybio Board held a meeting attended by representatives of management, Evercore and Ropes & Gray. Management summarized the strategic alternatives being considered by Rallybio and recommended that Rallybio cease discussions with counterparties about a potential sale of RLYB116, because the current proposals did

not adequately value the asset and the value should increase after additional clinical data became available later in 2025. Representatives of Evercore then summarized the terms of the proposed reverse merger transactions being evaluated by the Rallybio Board, including the counterparties' existing programs, the anticipated ownership of Rallybio's stockholders in the combined companies and future financing requirements. Representatives of management and Evercore responded to questions from the Rallybio Board and, after discussion, the Rallybio Board determined not to pursue a sale of RLYB116 at that time, to continue discussions with Party A and to proceed with marketing for a financing transaction that would close concurrently with that transaction. The Rallybio Board also directed management to continue discussions with two other parties that had proposed a reverse merger in case the transaction with Party A did not proceed. The Rallybio Board considered these proposed reverse mergers as less favorable options for Rallybio stockholders than a transaction with Party A for, among other reasons, the proposed valuation of the counterparties and the prospects of the counterparties' existing programs.

On August 11, 2025, representatives of Rallybio and Party A and each of their legal advisors held a meeting to discuss the structure of a potential reverse merger transaction, the potential equity consideration to be issued by Rallybio, the possibility of Rallybio's stockholders receiving contingent value rights that would entitle them to a pro rata share of consideration received upon the divestiture of Rallybio's legacy assets and other related issues.

On August 20, 2025, the Rallybio Board held a meeting attended by representatives of management, Evercore and Ropes & Gray. Management explained that Party A had recently indicated it would commit meaningfully less to the proposed financing than management had previously expected, so completing a financing of \$60 million would be challenging. As a result, management recommended proposing modified terms to Party A pursuant to which the parties would seek to raise only \$40 million through a concurrent financing and Rallybio's stockholders would not receive a contingent value right so any proceeds from asset dispositions or paid to Rallybio under the ENPP1 Purchase Agreement would be retained by the combined company to fund its operations, which would result in Rallybio's stockholders retaining a larger percentage of the combined business's equity. Representatives of Evercore reviewed potential execution risk for the financing given Party A's position. The Rallybio Board discussed their views of management's proposal. Following discussion, the Rallybio Board asked a director to contact Party A to discuss the reasons for Party A's reduced commitment.

On August 29, 2025, the Rallybio Board held a meeting attended by representatives of management, Evercore and Ropes & Gray. Management summarized the status of discussions with Party A, including Party A's continued unwillingness to increase the size of its commitment in the proposed financing, which Party A had confirmed to a Rallybio director. Management then outlined modified terms it recommended proposing to Party A, which would value Rallybio at \$75 million, inclusive of its cash and cash equivalents, and which would not include any contingent value right for Rallybio's stockholders. As a result, Rallybio's stockholders would own approximately 45.5% of the combined company after closing the merger and concurrent financing. Management also provided an overview of other alternatives, including proposed reverse mergers, continuing to operate as a standalone company and liquidating Rallybio to return cash to stockholders. The Rallybio Board discussed the alternatives presented by management and, after discussion, directed management to deliver its recommended proposal to Party A, which management did following the meeting.

On September 10, 2025, Party A delivered an updated proposal to Rallybio that ascribed a value of \$62 million to Rallybio, assuming that Rallybio had \$53.6 million in cash and cash equivalents at the closing and a \$40 million concurrent financing. Rallybio's stockholders would receive a contingent value right that would entitle them to a pro rata portion of any consideration received upon a divestiture of RLYB116. Based on these terms, following the transaction and related financing, Rallybio's stockholders would hold 37.8% of the equity of the combined company.

On September 15, 2025, Party B, a privately held, clinical stage biotech company that had a lead investor that was also invested in Rallybio and a director who also served on the Rallybio Board, submitted a written proposal to Rallybio. Party B had not received any non-public information prior to submitting its proposal, but had entered into a mutual confidentiality agreement with Rallybio that did not include a standstill in anticipation of discussion potential strategic alternatives. Party B's proposal ascribed a value of \$50 million to Rallybio, which assumed that Rallybio had \$40 million in cash and cash equivalents at the closing. The proposal also contemplated that Rallybio's valuation would be increased dollar-for-dollar for any cash proceeds it received from a sale of the RLYB116 assets.

prior to the closing, which proceeds Party B estimated could be up to \$25 million. It also proposed that the parties would raise \$45 million in connection with the transaction.

On September 24, 2025, the Rallybio Board held a meeting attended by representatives of management, Evercore and Ropes & Gray. Management provided an update on discussions with potential counterparties to potential strategic transactions, noting that Rallybio had recently received written proposals for a reverse merger from Party B, noting the related party nature of the proposed transaction, and a reverse merger from Party C, a privately held biotech company that had submitted a new drug application to the FDA for its lead product candidate, as well as a verbal indication of interest for a reverse merger from a newly formed consolidation vehicle. Management noted that Party C's proposal ascribed the same value to Rallybio as Party B's current proposal. Representatives from Evercore summarized the non-binding proposals currently in effect from Party A, Party B and Party C among others and responded to questions about the financing in connection with each of the proposed transactions. The representatives of Evercore also responded to questions from the Rallybio Board about certain of the opportunities under consideration and the timing of discussions with potential PIPE investors. Following discussion, the Rallybio Board determined to continue engaging with Party A and to seek investors to participate in the concurrent financing, and to initiate discussions with Party B and Party C based on their recent proposals.

On October 7, 2025, the Rallybio Board held a meeting attended by representatives of management, Evercore and Ropes & Gray. Management provided a brief update on discussions with Party A and other parties that had proposed a reverse merger, including Party B and Party C. They also summarized recent interactions about potential partnering opportunities for RLYB116, although most counterparties indicated they would like to see data from the ongoing trial before engaging further. A representative of Evercore then summarized the reverse merger proposals currently available for Rallybio, including those with Party A, Party B and Party C, as well as each counterparty's product pipelines, commercial opportunities and competitive landscape. The Rallybio Board discussed the scientific and commercial prospects of each potential counterparty's product candidates and valuation each counterparty ascribed to itself in their proposals. Following discussion, the Rallybio Board determined to continue discussions about potential reverse mergers, but agreed that it would discontinue discussions with Party A if a co-lead investor in the concurrent financing was not identified promptly. The Rallybio director who served on the board of Party B then reminded the Rallybio Board of his role at Party B and that the investment fund with which he worked had a significant investment in Party B, and stated that he would recuse himself from future discussions among the Rallybio Board about strategic alternatives, so long as a transaction with Party B remained an option. The director did not attend any portion of a Rallybio Board meeting during which strategic alternatives were discussed until the Rallybio Board's meeting on February 12, 2026, other than as noted below during the Rallybio Board's meeting on December 5, 2025.

On October 24, 2025, the Rallybio Board held a meeting attended by representatives of management, Evercore and Ropes & Gray. Management summarized the status of Rallybio's work with Party A and Party B, including discussions with institutional investors about a financing related to the transaction with Party A and diligence regarding the science and commercial opportunity for Party B's lead product candidate. Management also summarized the terms proposed by Party B for a potential transaction on September 15, 2025. The Rallybio Board and management discussed the commercial opportunity for Party B's lead product, anticipated future financing needs and potential risks of Party B achieving its projections, including adverse data, safety issues and competition, as well as the commercial opportunity for Party C. The Rallybio Board and management also discussed RLYB116 and the potential impact on Rallybio's valuation of positive data from its ongoing trial. Following discussion, the Rallybio Board determined to cease discussions with Party A based on recent discussions with potential investors and lack of progress towards a transaction, to deliver a revised term sheet to Party B and continue discussions about the business with representatives of Party B and to, in parallel, continue discussions with Party C, although the Rallybio Board expressed its view that, due to Party C's commercial prospects and proposed valuation, the proposed reverse merger with Party C was less advantageous to Rallybio stockholders than the proposed reverse merger with Party B.

On October 27, 2025, the Rallybio Board held a meeting attended by representatives of management, Evercore and Ropes & Gray. Management and certain directors summarized recent discussions they had with representatives of Party B, noting that Party B remained interested in a potential reverse merger transaction with Rallybio, but was also considering other alternatives. Management proposed terms for a counterproposal to Party B, and, following

discussion, the Rallybio Board directed management to deliver the counterproposal as soon as possible. Management and the directors discussed how to accelerate the process with Party B and ensure that Rallybio's stockholders received the most value possible in the transaction.

On October 28, 2025, Rallybio delivered a term sheet to Party B that ascribed a value to Party B of \$175 million and Rallybio of \$59 million, which reflected the value of Rallybio's cash and cash equivalents but not RLYB116, and which would result in Rallybio's stockholders owning 25.2% of the combined company after the closing of the merger, but without accounting for a concurrent \$45 million financing. The term sheet also provided that Rallybio's stockholders would receive contingent value rights that would entitle them to a pro rata portion of proceeds received upon the divestiture of Rallybio's legacy assets.

On November 7, 2025, the Rallybio Board held a meeting attended by representatives of management, Evercore and Ropes & Gray. Management provided an update on the status of discussions with Party B, including Party B's indication that it would like to continue to develop RLYB116 post-closing, rather than divest the asset, and that a portion of the anticipated financing would be required to fund Party B's operations prior to closing. The Rallybio Board discussed the strategy for negotiating the exchange ratio and RLYB116's valuation. The Rallybio Board directed management to continue discussions with Party B and also discussed whether to form a special committee to help manage negotiations with Party B and potential other alternative counterparties.

On November 9, 2025, the Rallybio Board executed a unanimous written consent forming a special transaction committee (the "Transaction Committee") comprised of Ms. Nash, Dr. Liu and Mr. Hunt to review, evaluate and negotiate possible strategic transactions. Each of the members was deemed independent under Nasdaq's listing rules and did not have any conflicts with any counterparty Rallybio was evaluating or expected to evaluate in connection with the strategic process. The Transaction Committee was delegated authority to propose and negotiate the price, structure, terms and conditions of possible transactions, but the Rallybio Board retained authority to approve any proposed transaction.

On November 11, 2025, the Transaction Committee held a meeting attended by representatives of management and Ropes & Gray. Management summarized recent discussions with the Chief Executive Officer of Party B, including about the value to be ascribed to Rallybio and RLYB116, which Party B would reflect in a written term sheet, and also noted that Rallybio's diligence of Party B was substantially complete, other than a review of financial information that had not yet been provided. Management and the Transaction Committee discussed the strategy and timing to finalize terms with Party B and the Transaction Committee directed the representative of Ropes & Gray to speak with Party B's legal counsel about the structure of the potential transaction and related issues.

On November 14, 2025, Party B delivered a written counterproposal to Rallybio that ascribed a value of \$200 million to Party B and \$72.5 million to Rallybio, which reflected the value of Rallybio's cash and cash equivalents and valued RLYB116 at \$12.5 million. Based on these terms, Rallybio's stockholders would own 26.6% of the combined company after the closing of the merger and a concurrent \$45 million financing. The term sheet noted that the proposed value of RLYB116 remained subject to diligence and \$5 million of the proposed valuation was contingent on Rallybio having at least \$37.5 million of net cash at the closing. It also proposed a 45-day exclusivity period during which the parties would be expected to negotiate a definitive documentation.

On November 17, 2025, representatives of Ropes & Gray and Party B's counsel held a call to discuss the structure of the proposed transaction between Rallybio and Party B, whether Rallybio's stockholders could receive contingent value rights in connection with the transaction, and the potential timeline for the transaction.

On November 17, 2025, the Transaction Committee held a meeting attended by representatives of management, Evercore and Ropes & Gray. A representative of Ropes & Gray described his conversation with Party B's counsel earlier in the day and management summarized the key terms of the term sheet delivered by Party B, including the proposed transaction structure, value ascribed to the parties, the definition of net cash, Party B's financials and governance matters. Following discussion, the Transaction Committee directed management to return an updated term sheet to Party B that, among other things, provided for a simultaneous sign-and-close structure and to increase the value ascribed to Rallybio.

On November 18, 2025, Rallybio returned a draft term sheet to Party B as requested by the Transaction Committee, which contemplated a simultaneous sign-and-close structure, ascribed a value of \$77.5 million to Rallybio, with RLYB116 being valued at \$5 million more than in the most recent Party B proposal, and certain modifications to the definition of net cash used for determining the exchange ratio.

On November 21, 2025, Party B returned a further revised draft term sheet, which proposed a \$75 million valuation for Rallybio and certain modifications to the net cash definition, as well as other adjustments to reflect the simultaneous sign-and-close structure.

On November 22, 2025, the Transaction Committee held a meeting attended by representatives of management, Evercore and Ropes & Gray. Management summarized recent interactions with Party B and the current term sheet. The Transaction Committee and management discussed certain financial information of Party B that Rallybio would need to review and certain other diligence matters. Representatives of Evercore and Ropes & Gray discussed considerations about the proposed sign-and-close structure, including timing, regulatory and litigation risks, as well as potential financing implications. The Transaction Committee directed management to continue negotiating the term sheet and to complete diligence on Party B as soon as possible.

On November 25, 2025, the Rallybio Board held a meeting attended by representatives of management, Evercore and Ropes & Gray. Management provided an update on the status of discussions with Party B and terms reflected in Party B's most recent proposal, as well as an overview of Party B's lead asset, and Party B's future financing requirements. Management then provided an update on the positive data received to date in Rallybio's RLYB116 confirmatory trial, and discussed the current development plan for RLYB116, Rallybio's cash runway, potential partnering opportunities for RLYB116 and potential market reaction to the data. Management responded to questions from the Rallybio Board and directors discussed RLYB116 and the opportunity with Party B.

On December 3, 2025, the Rallybio Board held a meeting attended by representatives of Evercore and Ropes & Gray. Representatives of Evercore summarized certain features of the proposed transaction with Party B, including, that the combined company would have a stockholder that owned more than 50% of the combined company's equity on a fully-diluted basis, that the contemplated concurrent financing would not be marketed to new investors and that the combined company would likely need to raise additional funds by mid-2027 based on Party B's management's current plan. The members of the Transaction Committee then provided an update on discussions with Party B and their perspectives about whether a transaction with Party B remained in the best interests of stockholders at that time given its potential risks and benefits. The members of the Transaction Committee responded to questions and the directors discussed their perspectives on the options available to Rallybio noting the prospects of Rallybio's and Party B's respective assets, the competitive landscape for the indications targeted by each company, financing challenges and the cash runway of Rallybio on a standalone basis and of the combined company. Following discussion, it was the consensus of the Rallybio Board that it was a viable option for Rallybio to remain independent, but that the Rallybio Board also wanted to meet with management to assess the best path for stockholders.

On December 5, 2025, the Rallybio Board held a meeting attended by representatives of management and Ropes & Gray. At the request of the Rallybio Board, management outlined its strategy for developing RLYB116 and managing the business if Rallybio remained independent, including headcount requirements and potential partnering opportunities. Management responded to questions from the Rallybio Board and then departed the meeting. The Rallybio Board then invited the Rallybio director who also serves as a director of Party B to join the meeting and share his views regarding Party B and the opportunities presented by a combined company. He also responded to questions from the Rallybio Board and then departed the meeting. Following the Party B director's departure, the Rallybio Board discussed the two alternatives, including management's plan for RLYB116, the risks presented by remaining independent and combining with Party B and the potential benefits of each option. Following discussion, the Rallybio Board determined to request that Party B reduce its valuation to \$150 million, which the Rallybio Board believes is more reflective of its actual value, but if Party B declines Rallybio will proceed as a standalone company. Following the meeting, a director communicated the proposed change to a representative of Party B.

On December 8, 2025, Party B delivered an updated term sheet that contemplated a \$135 million valuation for Party B plus a new \$15 million post-closing equity pool that would be used to compensate Party B employees. It also contemplated that Party B's valuation would be reduced if it had net liabilities above a certain threshold at closing and proposed a termination fee of \$2.5 million payable by Rallybio if negotiations were abandoned by

Rallybio prior to closing or if Rallybio sought to amend any terms in the term sheet. Following receipt, the Transaction Committee evaluated the term sheet and, after discussion, determined that it would recommend that the Rallybio Board agree to the term sheet, so long as Party B agreed to remove the termination fee.

On December 10, 2025, the Rallybio Board held a meeting attended by representatives of management, Evercore and Ropes & Gray. Members of the Transaction Committee presented the draft term sheet from Party B noting that Party B had agreed to lower its valuation to \$150 million, as previously requested by the Rallybio Board, which amount included \$15 million of new equity awards that would be granted to Party B's executives, and had agreed to remove the proposed termination fee from the term sheet. The Transaction Committee noted that it recommended that the Rallybio Board approve the term sheet. A representative of Ropes & Gray then provided a reminder about the Rallybio Board's fiduciary duties. Representatives of management and Evercore responded to questions from the Rallybio Board and, after extensive discussion of the alternatives, the Rallybio Board determined to pursue a transaction with Party B and directed management to finalize the term sheet. The term sheet with Party B was executed later that day.

Between December 10, 2025 and early January 2026, Rallybio, Party B and their legal advisors engaged in negotiations regarding, and exchanged drafts of, the proposed merger agreement and disclosure schedules, and other ancillary documents. The parties also discussed the terms of documents and messaging related to the anticipated concurrent financing and regulatory and exchange listing matters related to the transaction.

On January 2, 2026, Rallybio filed a definitive proxy statement related to a special meeting of Rallybio's stockholders to consider a reverse split of the Rallybio Common Stock in order to regain compliance with the minimum bid requirements for continued listing on the Nasdaq Capital Market.

Later on January 2, 2026, the Transaction Committee held a meeting attended by representatives of management, Evercore and Ropes & Gray. Management provided an update about negotiations with Party B, including the status of documentation. Representatives of management then reviewed the full data received from Rallybio's recently completed confirmatory study of RLYB116, noting that the study established that RLYB116 provides rapid, complete and sustained inhibition of terminal complement, and that its safety profile was significantly improved from earlier material and showed that RLYB116 has the potential to support a convenient dosing regimen. They suggested that the value of RLYB116 had likely increased due to the quality of the data and that it may be worth evaluating whether the terms of the Party B deal still appropriately reflect Rallybio's value. Representatives of Evercore then noted that they had received inbound interest from investors awaiting the data and discussed the timing and process for conducting a financing for Rallybio (the "RLYB116 PIPE") if Party B waived the exclusivity restrictions.

On January 6, 2026, the Rallybio Board and Transaction Committee each held a meeting attended by representatives of management, Evercore and Ropes & Gray. Management provided an update on discussions with Party B, presented the RLYB116 data to the Rallybio Board and responded to questions about each. Representatives of Evercore then reviewed a potential RLYB116 PIPE and the potential timeline and process for conducting the RLYB116 PIPE. The Rallybio Board discussed the RLYB116 PIPE and determined that it would like to proceed, and directed the Transaction Committee and management to seek a waiver of Rallybio's exclusivity obligations to Party B and to offer to present the RLYB116 data to Party B. Later in the day, the Transaction Committee further discussed the size and potential process to pursue the RLYB116 PIPE and discussed the strategy for addressing with Party B.

On January 8, 2026, certain members of the Transaction Committee spoke with representatives of Party B to offer Party B the opportunity to receive the RLYB116 data and to request a waiver of Rallybio's exclusivity obligations to facilitate the RLYB116 PIPE process. Dr. Uden later presented the data to representatives of Party B, although Party B did not agree to waive the exclusivity obligations. Finally, the Transaction Committee held a meeting attended by representatives of management and Ropes & Gray. The members of the Transaction Committee discussed Party B's reaction to the waiver request and strategy for future correspondence with Party B, as well as potential legal considerations, and correspondence with the Rallybio Board about recent discussions with Party B and anticipated developments on the transaction with Party B.

Between January 8, 2026 and January 13, 2026, members of the Transaction Committee and management spoke with representatives of Party B and, on January 13, 2026, Party B agreed to release Rallybio from its exclusivity obligations under the term sheet in order to pursue the RLYB116 PIPE.

Following Party B's release, Rallybio and its advisors began preparing to conduct a confidential marketing process in connection with the RLYB116 PIPE and, on January 22, 2026, engaged placement agents to use best efforts to assist Rallybio with the offering.

On January 26, 2026, Rallybio held a special meeting of stockholders at which the stockholders approved an amendment to the Rallybio's amended and restated certificate of incorporation to effect a reverse split at a ratio to be selected by the Rallybio Board. Later on January 26, 2026, the Rallybio Board approved a reverse split at a ratio of 1-for-8 shares of Rallybio Common Stock and Rallybio then filed a certificate of amendment to its amended and restated certificate of incorporation with the Secretary of State of the State of Delaware to effect the reverse stock split effective at 12:01 a.m., Eastern Time, on February 6, 2026.

On January 28, 2026, the Transaction Committee held a meeting attended by representatives of management, Evercore and Ropes & Gray. Representatives of Evercore provided an update on the marketing process for the RLYB116 PIPE, noting they had reached out to 15 healthcare-focused investors, 14 of which elected to discuss the potential offering. The RLYB116 data had been well received by investors, but none had yet committed to participate in the RLYB116 PIPE. The Transaction Committee asked questions and discussed timing for the offering and agreed to wait until after it had more feedback from investors before updating the full Rallybio Board.

On January 30, 2026, the Transaction Committee held a brief meeting attended by representatives of management, Evercore and Ropes & Gray. Management provided an update on the RLYB116 PIPE, noting that most investors had passed on the opportunity so it was unlikely an offering could proceed, but that there were a couple investors still reviewing information. The Transaction Committee asked questions about investors' responses and agreed to inform the Rallybio Board of the outcome of the marketing effort and to discuss with the Rallybio Board the messaging about reengaging with Party B on a reverse merger.

On February 2, 2026, the Rallybio Board held a meeting attended by representatives of management, Evercore and Ropes & Gray. Management began with an update on the marketing effort for the RLYB116 PIPE, noting that of the 16 investors contacted about participating, only two were continuing to evaluate the opportunity, so it was unlikely Rallybio could complete a financing at that time. The Rallybio Board then discussed reengaging with Party B and potentially reaching out to other third parties now that exclusivity with Party B had lapsed. A director mentioned that Candid's financial advisor had contacted him about whether Rallybio would consider a reverse merger with Candid and management noted that it had also been put in touch with Candid. Following discussion, the Rallybio Board requested a director to contact a representative of Party B to relay that Rallybio was unlikely to pursue the RLYB116 PIPE and was committed to pursuing a transaction with Party B. It also directed management to engage with Candid.

Following the meeting on February 2, 2026, a member of the Rallybio Board called a representative of Party B to explain that Rallybio was unlikely to proceed with the RLYB116 PIPE and, therefore, would be willing to re-open discussions with Party B. The representative of Party B noted that Party B had entered into exclusive negotiations with a third-party and would not be able to discuss a transaction with Rallybio at that time.

Also on February 2, 2026, Rallybio entered into a mutual confidentiality agreement with Candid that did not include a standstill to facilitate discussions about a potential reverse merger transaction. Later that day, Candid delivered a draft term sheet that ascribed a value of \$8 million to Rallybio, which assumed that Rallybio would distribute all excess cash to its stockholders prior to the closing of a transaction and divest its legacy assets. Based on these terms, Rallybio's stockholders would own less than 1% of the equity of the combined company following closing of the proposed merger and a contemplated concurrent \$200 million financing. The term sheet also provided that the equity to be issued to Candid stockholders would be registered on a Form S-4 prior to closing; would require Rallybio's stockholders to vote on the transaction unless the merger agreement was terminated prior to the stockholder meeting; permitted Candid to consider and terminate the merger agreement to accept a superior proposal subject to certain conditions; and provided that the parties would agree to negotiate exclusively (in the case of Candid, with respect to a reverse merger transaction) for 30 days.

On February 3 and 4, 2026, representatives of Evercore held calls with Party C's financial advisor to inquire about Party C's interest in re-engaging in reverse merger discussions with Rallybio and discussed the process for submitting a new proposal.

On February 4, 2026, the Rallybio Board held a meeting attended by representatives of management, Evercore and Ropes & Gray. The Rallybio Board discussed Party B's response, noting that it was uncertain if Party B would consummate an alternative transaction during its exclusivity period, so Rallybio should not wait to pursue alternatives. Management then summarized recent interactions with Candid, noting that the parties had entered into a confidentiality agreement and Candid had delivered a non-binding term sheet, which management summarized. The Rallybio Board discussed Candid and its proposal, including terms for a response to Candid's initial proposal and directed management to deliver a counterproposal to Candid. The Rallybio Board also discussed potential renewed interest in a reverse merger from Party C, which was simultaneously pursuing reverse merger transactions and an initial public offering. The Rallybio Board, management and the advisors discussed how to proceed with Candid, Party C and other alternative options, including requesting Party C to deliver a refreshed written proposal.

On February 5, 2026, representatives of Evercore held separate calls with Candid's Chief Financial Officer and financial advisor to discuss Candid's expectations and the process to pursue a reverse merger between Rallybio and Candid.

On February 9, 2026, Rallybio returned a draft term sheet to Candid, which provided for, among other things, a \$47.5 million valuation for Rallybio, which assumed that Rallybio would have \$37.5 million of net cash at the closing; that Rallybio's stockholders would own approximately 4.76% of the combined company's equity following the closing of the merger and a contemplated concurrent \$200 million financing, and that Rallybio's stockholders would receive contingent value rights that would entitle them to receive a pro rata portion of any proceeds from a divestiture of Rallybio's legacy assets and any proceeds received from Recursion as a result of Rallybio's prior sale of its interests in REV-I.

On February 9, 2026, Party C delivered a revised non-binding proposal for a reverse merger transaction with Rallybio that ascribed a \$46 million valuation to Rallybio, which assumed that Rallybio would have \$36 million of net cash at the closing and that Rallybio's stockholders would own approximately 7.72% of the combined company's equity following the closing of the merger and a contemplated \$100 million concurrent financing.

On February 10, 2026, a representative of Evercore held a call with Candid's Chief Financial Officer to discuss the terms of the proposed reverse merger, including the treatment of Rallybio's cash and the pro forma ownership of Rallybio's stockholders in the combined company. Additionally, Candid returned an updated draft term sheet to Rallybio with updates made to Rallybio's net cash definition regarding expenses associated with the divestiture or disposition of Rallybio's legacy assets.

Between February 10, 2026 and February 12, 2026, three Rallybio directors held separate calls with Dr. Song to discuss Candid's management team, product pipeline, anticipated corporate milestones and financing plans.

On February 12, 2026, the Rallybio Board held a meeting attended by representatives of management, Evercore and Ropes & Gray. Management confirmed that the remaining investors who had been evaluating the RLYB116 PIPE had withdrawn from the process, so Rallybio would no longer pursue a separate financing. They explained that Rallybio now had a few merger proposals to consider, including from Candid, Party B, which may not continue to engage after its exclusivity period, and Party C. Management also described the development pipeline for each company, noting that the FDA had recently granted marketing authorization for Party C's lead product. Representatives of Evercore then summarized the terms of the three proposals, highlighting that the value ascribed to Rallybio's cash and exchange listing was substantially similar in each proposal and noting the anticipated ownership of Rallybio's stockholders in the combined companies, the potential financing requirements proposed or required by each proposal based on assumptions provided by management of such potential counterparty and potential risks associated with each transaction. Party B had proposed a simultaneous sign-and-close structure, while the proposals from Candid and Party C required Rallybio to register the shares to be issued and to have a meeting of stockholders to approve the issuance of the shares between signing and closing. Each of the directors then provided their perspectives about the alternatives, focusing on each company's scientific and commercial potential, the future

financing obligations of each, anticipated timing to sign and closing, and potential post-closing trading dynamics. Following discussion, the Rallybio Board concluded that the Candid proposal was the best available alternative for Rallybio's stockholders, due to the prospects of its product pipeline, strength of its management team, ability to complete the proposed concurrent financing and anticipated cash runway for the combined business, and directed management to deliver a non-binding term sheet to Candid for execution and proceed to legal and business diligence and negotiation of definitive documents as soon as possible. The Rallybio Board acknowledged that due to the exclusivity provisions of the term sheet with Candid, Rallybio would no longer be able to pursue a potential transaction with either of Party B or Party C.

Following the meeting, on February 12, 2026, a representative of Evercore spoke with each of Candid's Chief Financial Officer and a representative of Candid's financial advisor separately to convey that Rallybio intended to announce the results of its recently completed RLYB116 Phase 1 trial on February 17, 2026, and that Rallybio intended to send an updated term sheet to Candid later that same day. Subsequently on February 12, Rallybio returned a further revised term sheet draft to Candid that provided that, among other things, Rallybio's stockholders would receive a contingent value right that would entitle them to 100% of the net proceeds received by the combined company upon any divestiture of Rallybio's legacy assets.

On February 13, 2026, Rallybio and Candid signed the form of non-binding term sheet delivered by Rallybio on February 12. The parties promptly commenced legal and business diligence and representatives of Ropes & Gray and Cooley LLP, counsel to Candid ("Cooley"), discussed process and documentation.

Between February 14 and February 27, 2026, Rallybio, Candid and their legal and financial advisors engaged in extensive negotiations regarding, and exchanged multiple drafts of, the proposed merger agreement and disclosure schedules for each of Rallybio and Candid, the contingent value rights agreement, and forms of support agreements and a lock-up agreement. The parties also negotiated the terms of documents related to the Concurrent Financing with the placement agents for such financing and their legal counsel. The negotiation of the merger agreement focused on, among other things, the following key terms:

- the calculation of Rallybio's net cash, including the treatment of certain liabilities;
- the non-solicitation provisions, and specified exceptions, applicable to each party, including a proposal to permit Candid to solicit alternative acquisition proposals from third parties for 30 days following Candid's receipt of any superior offer (and associated tolling of Candid's obligation to deliver its stockholder written consent within seven business days of the effectiveness of the Form S-4 to be filed in connection with the proposed transactions), as well as a carve-out that would have permitted Candid to pursue certain strategic transactions without restriction. Following negotiation, Candid agreed to a more limited "fiduciary out" exception that would permit Candid to respond to unsolicited bona fide acquisition proposals that constituted, or were reasonably likely to lead to, a superior offer, which exception would not toll Candid's obligation to deliver the written consent executed by each Candid required signatory within seven business days of the date of the effectiveness of the Form S-4;
- the triggers for, and amounts payable upon, termination of the agreement. After extensive negotiation, the parties agreed to a termination fee of \$50 million payable by Candid in certain termination scenarios involving Candid entering into an alternative acquisition, with a reduced fee of \$10 million payable by Candid for a termination under certain circumstances following the expiration of the end date, and a termination fee of \$1.425 payable by Rallybio in specified circumstances; and
- certain of the interim operating covenants, the closing conditions, and the representations and warranties made by each party.

In the contingent value rights agreement, the parties negotiated, among other things, the following key terms:

- the inclusion of and threshold for any level of efforts required to divest Rallybio's assets,
- the duration after the closing date of the Merger that such efforts obligations would last, which the parties finally agreed to be one year; and
- the end date of the combined company's obligations to make CVR payments to the CVR holders, which the parties agreed to be December 31, 2030.

On February 17, 2026, Rallybio announced positive results from its Phase 1 confirmatory pharmacokinetic/pharmacodynamic clinical trial evaluating RLYB116.

On February 18, 2026, the placement agents for the Concurrent Financing began marketing the offering to potential investors on a confidential basis.

On February 21, 2026, Mr. Lieber discussed the potential transaction with Citizens, any potential conflicts that Citizens may have, and asked that, if requested by the Rallybio Board, Citizens provide the Rallybio Board an opinion about the fairness, from a financial point of view, of the Exchange Ratio. Representatives of Citizens agreed to complete the work necessary to determine if it would be able to deliver its opinion and provided diligence information requested by Citizens to complete its work.

On February 24, 2026, Nasdaq notified Rallybio that it had regained compliance with the minimum bid requirements for continued listing on the Nasdaq Capital Market.

On February 27, 2026, Rallybio, Candid and their legal advisors exchanged advanced drafts of the proposed merger agreement prior to the Rallybio Board's consideration and approval of the Contemplated Transactions. Among other final key terms negotiated between the parties were the circumstances in which Candid could solicit alternative proposals from third parties and the amount of the termination fee payable by Candid in connection with the termination of the merger agreement under certain circumstances, as outlined in further detail above. Rallybio also entered into an engagement letter with Citizens in advance of the Rallybio Board's meeting.

Also on February 27, 2026, Evercore delivered a material relationships disclosure letter to Rallybio. Later on February 27, 2026, the Rallybio Board met with members of Rallybio's management and representatives of Citizens, Evercore and Ropes & Gray. At the meeting, a representative of Ropes & Gray reviewed the Rallybio directors' fiduciary duties and the terms and conditions of the transaction documents, including the structure, closing conditions, antitrust covenant, interim operating covenants, representations and warranties, non-solicitation covenants, and termination rights and fees. A director noted that the investment fund for which he works intended to invest in the Concurrent Financing and the other members of the Rallybio Board determined that such investment would not impair the director's independent judgment, so he should not be required to recuse himself. Citizens, after confirming to the Rallybio Board that it had no conflicts related to the proposed transaction, then reviewed its financial analysis of the Exchange Ratio and delivered to the Rallybio Board its oral opinion, confirmed by delivery of a written opinion dated March 1, 2026, to the effect that, as of such date and based upon and subject to the assumptions made, procedures followed, matters considered and limitations on the review undertaken by Citizens in preparing its opinion, the Exchange Ratio to be paid by Rallybio is fair, from a financial point of view, to Rallybio, as more fully described below in the section titled "*—Opinion of Citizens JMP Securities, LLC (Rallybio's Financial Advisor).*" Following discussions about the proposed transaction with Candid, including the potential merits and considerations for and against proceeding with it described further in the section titled "*—Rallybio's Reasons for the Merger,*" the Rallybio Board unanimously (i) determined that the terms of the Merger Agreement, the Merger and the other Contemplated Transactions are fair to, advisable and in the best interests of Rallybio and its stockholders, (ii) approved and declared advisable the Merger Agreement and the Contemplated Transactions, including the Merger and the issuance of shares of Rallybio Common Stock to the stockholders of Candid pursuant to the terms of the Merger Agreement, and (iii) determined to recommend, upon the terms and subject to the conditions set forth in the Merger Agreement, that Rallybio's stockholders vote to approve the Rallybio Stockholder Matters. The Rallybio Board also approved or ratified certain other actions to be taken by Rallybio in connection with the Contemplated Transactions.

On March 1, 2026, the parties executed the Merger Agreement, the support agreements, the Lock-Up Agreements and the Subscription Agreement.

On the morning of March 2, 2026, Rallybio and Candid issued a joint press release announcing the Contemplated Transactions.

Rallybio's Reasons for the Merger

In the course of its evaluation of the Merger, the Merger Agreement and the Contemplated Transactions, the Rallybio Board held numerous meetings, consulted with Rallybio management, its legal counsel and its financial advisors and reviewed and assessed a significant amount of information and, in reaching its decision to approve the Merger, the Merger Agreement and the Contemplated Transactions, the Rallybio Board considered the following factors, among others and not necessarily presented in any order of relative importance:

- Rallybio's business, financial performance (both past and prospective) and its financial condition, results of operations (both past and prospective), market capitalization and the need for future capital, business and strategic objectives, as well as the risks of accomplishing those objectives, including if Rallybio were to remain an independent company;
- the possible alternatives to the Merger available to Rallybio, the range of possible benefits and risks to the Rallybio stockholders of those alternatives and the timing and the likelihood of accomplishing the goal of any of such alternatives, and the Rallybio Board's assessment that the Merger presented a superior opportunity for Rallybio's stockholders to any such alternatives;
- the Rallybio Board's assessment of potential candidates for a strategic transaction, and in particular, the Rallybio Board's view that Candid was the most attractive and promising candidate and the Rallybio Board's belief that the Merger would create more value for Rallybio's stockholders than any of the other proposals that the Rallybio Board had received or Rallybio could create as a standalone company;
- the process undertaken by the Rallybio Board in pursuit of a strategic transaction, including the proposed Merger, in each case considering the current market dynamics;
- the prospects of and risks associated with the other strategic candidates that had made proposals for a strategic transaction with Rallybio based on the business, scientific, regulatory, intellectual property, financial, accounting and legal due diligence conducted by the Rallybio management and Rallybio's advisors;
- the Rallybio Board's belief, based in part on the clinical and scientific diligence process conducted by Rallybio's management and reviewed with the Rallybio Board, that Candid's product candidates present a market opportunity with the potential to create meaningful value for the stockholders of the combined company and an opportunity for Rallybio's stockholders to participate in the future potential growth of the combined company;
- the potential for Rallybio's equityholders to receive certain cash payments following the Closing pursuant to the Rallybio CVR Agreement, which the Rallybio Board believed preserves for Rallybio's existing equityholders the potential value from a sale or other disposition of Legacy Assets (as defined below) and obligates the combined company to use commercially reasonable efforts following the Closing to pursue a disposition of such assets if Rallybio has not completed such a disposition prior to the Closing;
- Rallybio's current market capitalization and the potential dilution from any financings required to support its plans and objectives were it to remain an independent company, as well as the uncertainty regarding the availability of such financing on terms acceptable to Rallybio;
- financial market conditions at the time of the signing of the Merger Agreement, including market prices, volatility and trading information with respect to Rallybio Common Stock;
- the financial analysis presented by Citizens to the Rallybio Board on March 1, 2026 and Citizens' opinion, dated March 1, 2026, to the Rallybio Board that, as of such date and based upon and subject to the qualifications, limitations, assumptions and other matters set forth therein, the Exchange Ratio was fair, from a financial point of view, to Rallybio (as more fully described in the section titled "*The Merger—Opinion of Rallybio's Financial Advisor*");
- the strength of the balance sheet of the combined organization, which includes Rallybio's anticipated Rallybio Net Cash at Closing of approximately \$37.5 million, plus the aggregate commitment represented in the Concurrent Financing of approximately \$505.5 million;

- the Rallybio Board's belief that the terms of the Merger Agreement and the related agreements, including the parties' respective representations, warranties and covenants, the conditions to their respective obligations to close the Merger and the termination rights of the parties, are reasonable under the circumstances, including:
 - the belief that, as a result of arm's-length negotiations with Candid, Rallybio and its representatives negotiated the most favorable Exchange Ratio to which Candid was willing to agree, and that the other terms of the Merger Agreement include the most favorable terms to Rallybio in the aggregate to which Candid was willing to agree;
 - the calculation of the Exchange Ratio, Rallybio Net Cash at the Closing and the estimated number of shares of Rallybio Common Stock to be issued in the Merger, and the fact that the relative valuation of Rallybio, and thus the relative percentage ownership of Rallybio's stockholders immediately following the Closing, is subject to change based on the amount of Rallybio net cash at the Closing;
 - the number and customary nature of the conditions to Rallybio's and Candid's respective obligations to complete the Merger and the likelihood that the Merger will be completed on a timely basis;
 - the ability of Rallybio under the Merger Agreement to consider unsolicited acquisition proposals under certain circumstances and for the Rallybio Board to potentially change its recommendation in favor of such a proposal should Rallybio determine such proposal to constitute, or be reasonably likely to result in, a superior offer;
 - the belief by the Rallybio Board of the reasonableness of the potential termination fee of \$1.425 million and related reimbursement of certain transaction expenses of up to \$500,000, payable by Rallybio if the Merger Agreement is terminated in certain circumstances; and
 - the belief by the Rallybio Board of the reasonableness of the potential termination fee of either \$50 million or \$10 million payable by Candid, depending on the circumstances of the termination, and related reimbursement of certain transaction expenses of up to \$500,000, which could become payable if the Merger Agreement is terminated in certain circumstances, which the Rallybio Board believed would provide deterrence for competing acquisition proposals and provide Rallybio with compensation for the time, expense and disruption associated with negotiating the transaction if the Merger is not completed under such specified circumstances;
- the Lock-Up Agreements, pursuant to which certain executive officers, directors and stockholders of Candid have agreed not to transfer their shares of common stock of the combined company for the 180-day period after the effective time of the Merger;
- the Candid support agreements, pursuant to which certain stockholders of Candid, solely in their capacities as stockholders, have agreed, to execute a written consent or vote all of their shares of Candid Capital Stock in favor of the Merger and against any alternative acquisition proposals, and the fact that stockholders holding the necessary votes to adopt the Merger Agreement and approve the Merger have entered into Candid support agreements; and
- the Rallybio support agreements, pursuant to which certain stockholders of Rallybio, solely in their capacities as stockholders, have agreed, to vote all of their shares of Rallybio Common Stock in favor of the Proposals and against any alternative acquisition proposals.

In the course of its deliberations, the Rallybio Board also considered, among other things, a variety of risks and other countervailing factors related to entering into the Merger, the Merger Agreement and the Contemplated Transactions, including:

- the possibility that the Merger will not be consummated in a timely manner or at all;
- the potential adverse effect of the public announcement of the Merger on Rallybio's business, including potential volatility of the trading price of Rallybio Common Stock following the announcement of the Merger;
- the possibility that any Legacy Assets remaining after the Closing will not be monetized and the consequential potential that Rallybio equityholders will not receive any consideration under the Rallybio CVRs and the Rallybio CVRs may otherwise expire valueless;

- the possibility that Candid will not be able to complete the Concurrent Financing on the terms or amounts contemplated or at all;
- the fact that certain provisions of the Merger Agreement could have the effect of discouraging competing proposals involving Rallybio, including the restrictions on Rallybio's ability to solicit alternative acquisition proposals;
- the fact that under certain circumstances Rallybio may be required to pay to Candid a termination fee of \$1.425 million and/or an expense reimbursement of up to \$500,000, and the potential effects of such termination fee and/or expense reimbursement;
- the provisions of the Merger Agreement that permit the Candid Board, subject to specified conditions, to consider and engage with third parties regarding alternative acquisition proposals and to change its recommendation if the Candid Board determines that such proposal constitutes, or is reasonably likely to result in, a superior offer;
- the strategic direction of the combined company following the completion of the Merger, which will be determined by the combined company's board, which will not include a representative of the current Rallybio Board, and the combined company's management, which is not expected to include any current Rallybio officers;
- the early-stage nature of Candid's drug candidates and the risks and uncertainties associated with development and commercialization of Candid's drug candidates, including that such drug candidates may not generate acceptable clinical data in the future or be successfully developed into products that are marketed and sold, as well as other scientific, technical and regulatory risks and uncertainties;
- the substantial fees and expenses incurred or that may be incurred by Rallybio or the combined company associated with completing the Merger, including the costs associated with any potential transaction related litigation;
- the possibility of disruptive stockholder demands or litigation following announcement of the Merger;
- the risk that the Merger may not be completed despite the parties' efforts or that the Closing may be unduly delayed and the effects on Rallybio as a standalone company because of such failure or delay, including that a more limited range of alternative strategic transactions may be available to Rallybio in such an event and that Rallybio may experience additional significant challenges associated with its need to raise additional capital through the public or private sale of equity securities;
- the fact that under certain circumstances, Rallybio will not be entitled to receive a termination fee from Candid even in the event that the Merger is not consummated as a result of circumstances which are not under Rallybio's control;
- the dilution to the existing stockholders of Rallybio upon the consummation of the Merger;
- the possibility that Rallybio Net Cash, as more fully described below under the caption "*The Merger Agreement—Calculation of Rallybio's Net Cash*" in this proxy statement/prospectus, may be lower at the determination time than currently anticipated, which would reduce the relative percentage ownership of Rallybio's existing equityholders in the combined company; and
- the various other risks associated with the combined company and the Merger, including those described in the section entitled "*Risk Factors*" in this proxy statement/prospectus.

In light of the variety of factors considered in connection with its evaluation of the Merger and the complexity of these matters, the Rallybio Board did not find it useful or practicable to, and did not attempt to, quantify, assign or rank any relative or specific weights to the various factors that it considered in reaching its determination that the Merger, the Merger Agreement and the Contemplated Transactions are advisable and in best interests of Rallybio and Rallybio's stockholders. In addition, the Rallybio Board did not undertake to make any specific determination as to whether any particular factor, or any aspect of any particular factor, was favorable or unfavorable to the ultimate determination of the Rallybio Board, but rather the Rallybio Board conducted an overall analysis of the factors described above, including discussions with and questioning of Rallybio management and representatives of the Rallybio's legal and financial advisors.

Candid's Reasons for the Merger

The following discussion sets forth material factors considered by the Candid Board in reaching its determination to approve the terms and authorize the execution of the Merger Agreement for the purpose of implementing the Merger and to approve the Concurrent Financing; however, it may not include all of the factors considered by the Candid Board. In light of the number and wide variety of factors considered in connection with its evaluation of the Merger Agreement and the Concurrent Financing, the Candid Board did not consider it practicable to, and did not attempt to, quantify or otherwise assign relative weights to the specific factors it considered in reaching its determination. The Candid Board viewed its position and determinations as being based on all of the information available and the factors presented to and considered by it. In addition, individual directors may have given different weight to different factors.

In the course of reaching its decision to approve the Merger and the Concurrent Financing, the Candid Board held meetings and conducted discussions, consulted with Candid's senior management, legal counsel and financial advisors, and considered a wide variety of factors in connection with its evaluation of the Merger Agreement and Concurrent Financing. Ultimately, the Candid Board concluded that a merger with Rallybio, together with the Concurrent Financing, was the best option to access the liquidity and capital-raising opportunities of the public markets and obtain capital to support the advancement of Candid's pipeline and the operations of the combined company.

Additional factors the Candid Board considered included, among others, the following (which factors are not necessarily presented in any order of relative importance):

- the historical and current information concerning Candid's business, including its financial performance and condition, operations, management, competitive position and preclinical and clinical data;
- Candid's prospects if it were to remain an independent privately held company, including its need to obtain additional financing and the terms on which it would be able to obtain such financing, if at all;
- the Concurrent Financing will generate substantial capital resources to fund the combined company through 2030;
- the potential benefits from increased public awareness of Candid and its pipeline;
- the Candid Board's belief that, after reviewing various financing options to enhance stockholder value, the Merger and Concurrent Financing represented the most favorable alternative reasonably available to Candid;
- the cash resources of the combined company expected to be available upon the closing of the Concurrent Financing and consummation of the Merger (including the ability to support Candid's current and planned clinical trials and operations through 2030);
- the Rallybio Net Cash that would be available to the combined company after the Merger;
- the access, as a public company, to a broader range of investors to support the development of Candid's drug candidates than if Candid continued to operate as a privately held company;
- the potential to provide its current stockholders with greater liquidity by owning stock in a public company;
- the expectation that the Merger with Rallybio, together with the funding committed in the Concurrent Financing, would be a higher probability and more efficient means to access capital than other potential options considered, including an IPO;
- the expectation that substantially all of Candid's employees, including its management, will serve in similar roles at the combined company;
- the Candid Board's fiduciary duties to Candid stockholders;
- the terms and conditions of the Merger Agreement, including, without limitation, the following:
 - the determination that the expected relative percentage ownership of Rallybio equityholders and Candid equityholders in the combined company was appropriate, based on Candid's Board's judgment and assessment of the approximate valuations of Rallybio (including the value the Rallybio Net Cash is expected to provide to the combined company) and Candid (including the value of the amount of proceeds from the Concurrent Financing);
 - the expectation that the Merger will be treated as a reorganization for U.S. federal income tax purposes, with the result that the Candid stockholders will generally not recognize taxable gain or loss for U.S. federal income tax purposes with respect to the Merger;

- the rights of the Candid Board under the Merger Agreement to consider certain unsolicited acquisition proposals, and, subject to specified conditions, to change its recommendation to approve the Merger and enter into a permitted alternative acquisition transaction, under certain circumstances should the Candid Board determine such acquisition proposal constitutes, or is reasonably likely to result in, a superior offer;
- the fact that Candid is permitted, subject to certain conditions, to engage with third parties and evaluate alternative acquisition proposals that may arise following receipt of a bona fide acquisition proposal that the Candid Board determines constitutes, or is reasonably likely to result in, a superior offer;
- the limited number and nature of the conditions of Rallybio's obligation to consummate the Merger;
- the conditions to Candid's obligation to consummate the Merger that Rallybio's net cash at Closing must be at least \$0 and that Rallybio's cash and cash equivalents at Closing must be at least \$1.0 million;
- the conclusion of the Candid Board that the potential termination fees payable by each of Rallybio or Candid to the other party (which the Candid Board evaluated together with the other deal protection provisions in the Merger Agreement), and the specific circumstances when such fees may be payable, were appropriate in light of the circumstances of the transaction, including the Candid Board's continued ability, subject to specified conditions, to consider and respond to alternative acquisition proposals and enter into a permitted alternative acquisition transaction; and
- the belief that the other terms of the Merger Agreement, including the parties' representations, warranties and covenants, and the conditions to their respective obligations, were reasonable in light of the entire transaction;
- the fact that shares of Rallybio Common Stock issued to Candid stockholders will be registered on a Form S-4 registration statement and will become freely tradable for Candid stockholders who are not affiliates of Candid and who are not parties to the Lock-Up Agreements;
- the support agreements, pursuant to which certain directors, officers and stockholders of Rallybio and Candid, respectively, have agreed, solely in their capacity as stockholders of Rallybio and Candid, respectively, to vote all of their shares of Rallybio Common Stock or Candid Capital Stock, respectively, in favor of the adoption and approval of the Merger Agreement;
- the anticipated Nasdaq listing of the combined company's common stock and the adoption of the name "Candid Therapeutics, Inc." for the combined company;
- the availability of appraisal rights under Section 262 of the DGCL, which permits holders of Candid Capital Stock who properly exercise such rights to seek judicial determination of the fair value of their shares of Candid Capital Stock ; and
- the likelihood that the Merger will be consummated on a timely basis.

The Candid Board also considered a number of uncertainties and risks in its deliberations concerning the Merger and the other transactions contemplated by the Merger Agreement, including the following:

- the risk that the potential benefits of the Merger may not be realized;
- the risk that the Merger might not be consummated in a timely manner or at all, including as a result of the failure of Rallybio to obtain the required Rallybio stockholder vote, and the potential adverse effect on the reputation of Candid and its ability to obtain future financing if the Merger and Concurrent Financing are not completed;
- the risk that future sales of common stock by existing Rallybio stockholders may cause the price of Rallybio Common Stock to fall, thus reducing the value of Rallybio Common Stock received by Candid stockholders in the Merger;
- the size of the termination fees payable by Candid to Rallybio upon the occurrence of certain events, and the potential effect of such termination fees in deterring potential acquirers from proposing an alternative transaction that may be more advantageous to Candid stockholders;
- the Exchange Ratio used to establish the number of shares of Rallybio Common Stock to be issued to Candid stockholders in the Merger is fixed, except for adjustments due to Rallybio's Net Cash, the amount

of proceeds received by Candid in the Concurrent Financing and changes in the parties' outstanding capital stock at Closing, and thus the relative percentage ownership of Rallybio stockholders and Candid stockholders in the combined company immediately following the consummation of the Merger is similarly fixed;

- the possibility that Rallybio could under certain circumstances consider unsolicited acquisition proposals the Rallybio Board deems to be superior to the Merger Agreement or change its recommendation to approve the Merger Agreement upon certain events;
- the expenses incurred and anticipated to be incurred in connection with the Merger and related administrative costs associated with combining the organizations;
- the additional costs and compliance obligations Candid will incur that are associated with operating as a public company following the consummation of the Merger;
- the fact that Rallybio's representations and warranties in the Merger Agreement do not survive the Closing, and the potential risk of liabilities that may arise after the Closing; and
- various other risks associated with the combined company and the Merger, including the risks described in the section titled "Risk Factors" of this proxy statement/prospectus.

The foregoing information is not intended to be exhaustive, but is believed to include a summary of all of the material factors considered by the Candid Board in its consideration of the Merger Agreement, the Concurrent Financing, and the various transactions contemplated thereby. After conducting an overall analysis of these and other factors, including thorough extensive discussions with Candid's senior management and outside advisors, the Candid Board concluded that the benefits, advantages and opportunities of a potential transaction outweighed the uncertainties and risks described above. Based on this overall analysis of the factors described above, the Candid Board unanimously approved the Merger Agreement, the Merger, the Concurrent Financing and the other transactions contemplated by the Merger Agreement.

Opinion of Citizens JMP Securities, LLC (Rallybio's Financial Advisor)

Introduction

Rallybio retained Citizens as a financial advisor in connection with the Merger. In connection with this engagement, the Rallybio Board requested that Citizens evaluate the fairness, from a financial point of view, to Rallybio of the Exchange Ratio to be paid by Rallybio pursuant to the terms of the Merger Agreement. On March 1, 2026, Citizens delivered to the Rallybio Board its written opinion that, as of such date and based upon and subject to the various assumptions made, and the qualifications and limitations upon the review undertaken by Citizens in preparing its opinion, the Exchange Ratio to be paid by Rallybio pursuant to the terms of the Merger Agreement is fair, from a financial point of view, to Rallybio. The full text of the written opinion of Citizens, which describes the assumptions made and the qualifications and limitations upon the review undertaken by Citizens in preparing its opinion, is attached as Annex B to this proxy statement / prospectus and is incorporated herein by reference.

The summary of the written opinion of Citizens set forth below is qualified in its entirety by the full text of the written opinion attached hereto as Annex B. Citizens' financial advisory services and opinion were provided for the information and assistance of the Rallybio Board (in their capacity as directors and not in any other capacity) in connection with and for purposes of the Rallybio Board's consideration of the Merger, and the opinion of Citizens addressed only the fairness, from a financial point of view, as of the date thereof, to Rallybio of the Exchange Ratio to be paid by Rallybio pursuant to the terms of the Merger Agreement. The opinion of Citizens did not address any other term or aspect of the Merger Agreement or the Merger and did not and does not constitute a recommendation to any stockholder of Rallybio or Candid as to whether or how such stockholder should vote with respect to the Merger or otherwise act with respect to the Merger or any other matter.

The full text of the written opinion of Citizens should be read carefully in its entirety for a description of the assumptions made and the qualifications and limitations upon the review undertaken by Citizens in preparing its opinion.

In connection with rendering the opinion described above and performing its related financial analyses, Citizens reviewed, among other things:

- certain publicly available financial statements and certain other business and financial information relating to Rallybio;
- the historical trading prices and trading activity for Rallybio Common Stock;
- certain financial and operating data concerning Candid prepared by the management of Candid;
- publicly available market capitalization data regarding companies in the biotechnology industry that Citizens believed to be comparable in certain respects to Candid, and publicly available financial terms of certain initial public offerings involving companies in the biotechnology industry that Citizens believed to be comparable in certain respects to Candid; and
- the Merger Agreement draft, dated February 27, 2026, and certain related documents.

Citizens also participated in discussions with members of the senior management of Rallybio and Candid and their respective advisors and representatives. Citizens also performed such other analysis and considered such other factors as Citizens deemed appropriate.

Citizens assumed and relied, without independent verification, upon the accuracy and completeness of all information and data that was publicly available or furnished to or otherwise reviewed by or discussed with Citizens and relied upon the assurance of the management of Rallybio and Candid that they are not aware of any facts or circumstances that would make such information inaccurate or misleading. The Rallybio Board was aware that neither Rallybio's nor Candid's management provided Citizens with, and Citizens did not otherwise have access to, financial forecasts regarding Rallybio's or Candid's business. Accordingly, Citizens did not perform a discounted cash flow analysis with respect to Rallybio or Candid. In addition, with Rallybio's consent, Citizens did not make any independent evaluation or appraisal of any of the assets or liabilities (contingent, derivative, off-balance-sheet or otherwise) of Rallybio or Candid, nor was Citizens furnished with any such evaluation or appraisal, and Citizens was not asked to conduct, and did not conduct, a physical inspection of the properties or assets of Rallybio or Candid.

Citizens was advised that, given that Rallybio's assets and liabilities are comprised of cash (net of liabilities) and the Legacy Assets (which currently are contemplated to be disposed) and that Rallybio is not expected to have any continuing business operations on a standalone basis other than those incidental to Rallybio's status as a publicly traded company, the management of Rallybio has not prepared financial forecasts relating to Rallybio. Accordingly, Citizens did not perform a financial analysis of Rallybio, the Legacy Assets or the Rallybio CVRs, and did not ascribe any value to the Legacy Assets or the Rallybio CVRs. Citizens assumed the equity value of Rallybio to be \$10.0 million, and Rallybio Net Cash at Closing to be \$37.5 million, in each case as directed by the Rallybio Board.

Citizens assumed that the representations and warranties of each party contained in the Merger Agreement are true and correct, that each party will perform all of the covenants and agreements required to be performed by it under the Merger Agreement and that all conditions to the consummation of the Merger will be satisfied without waiver thereof. Citizens assumed that the final form of the Merger Agreement will not vary materially from the last draft Merger Agreement reviewed by it and that the Merger will be consummated substantially on the terms described therein, without any amendment or waiver of material terms or conditions. Citizens also assumed that all necessary governmental, regulatory and other consents and approvals contemplated by the Merger Agreement will be obtained and that in the course of obtaining those consents and approvals no costs or restrictions will be imposed or waivers made that would have an adverse effect on the contemplated benefits of the Merger. Citizens relied on the assessments of Candid's management as to, among other things, Candid's product pipeline, future products, technology and intellectual property, including the viability of and risks associated therewith.

Citizens is not a legal, tax or regulatory advisor and relied upon, without independent verification, the assessment of Rallybio and Candid and their legal, tax or regulatory advisors with respect to legal, tax or regulatory matters. Citizens is not in the business of appraising tangible assets and did not make any independent valuation or appraisal of any or all of the assets or liabilities (including any contingent, derivative or off-balance-sheet assets or liabilities) of Rallybio or Candid, nor was it furnished with any such valuations or appraisals. In addition, Citizens did not evaluate the solvency of any party to the Merger Agreement under any state or federal laws relating to bankruptcy, insolvency

or similar matters. Citizens' opinion is necessarily based on financial, economic, market and other conditions as in effect on, and the information made available to Citizens as of, the date thereof. Events occurring after such date may affect such opinion and the assumptions used in preparing it, and Citizens did not and does not assume any obligation to update, revise or reaffirm such opinion.

Citizens was not requested to consider, and Citizens' opinion did not address, Rallybio's underlying business decision to enter into the Merger Agreement and pursue the Merger, or the relative merits of the Merger as compared to any alternative business strategies that might exist for Rallybio or the effect of any other transaction in which Rallybio might engage. Citizens was not requested to consider, and its opinion did not and does not address, the non-financial terms of the Merger Agreement or the Merger, including, without limitation, the structure or form of the Merger, nor was Citizens asked to address the terms of any related transactions to be entered into by the parties, including, without limitation, the Rallybio CVRs and the Concurrent Financing, or the fairness of the Merger or any other term or aspect of the Merger to, or any consideration to be received in connection therewith by, or the impact of the Merger on, the holders of any class of securities, creditors or other constituencies of Rallybio or any other party. Citizens' opinion was limited to and addressed only the fairness, from a financial point of view, as of the date thereof, to Rallybio of the Exchange Ratio to be paid by Rallybio pursuant to the terms of the Merger Agreement. Furthermore, Citizens expressed no opinion with respect to the amount or nature of any compensation to be paid to any officers, directors or employees of any party to the Merger, or any class of such persons, relative to the Merger Consideration or otherwise, or with respect to the fairness of any such compensation.

Citizens' opinion was given at the request of, and is intended for the benefit and use of, the Rallybio Board in connection with its consideration of the Merger, and it is not intended to be and does not constitute a recommendation to any equityholder of Rallybio as to how such equityholder should vote or act on any matter relating to the Merger. Citizens' opinion was authorized by its fairness opinion review committee.

Summary of Financial Analysis

The following is a summary of the material financial analyses prepared by Citizens and reviewed with the Rallybio Board in connection with its opinion, which was delivered to the Rallybio Board on March 1, 2026. The summary set forth below does not purport to be a complete description of the financial analyses performed or factors considered by, and underlying the opinion of, Citizens, nor does the order of the analyses described below represent the relative importance or weight given to those analyses by Citizens. The preparation of a fairness opinion is a complex analytical process involving various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances and, therefore, a fairness opinion is not readily susceptible to summary description. In arriving at its opinion, Citizens did not draw, in isolation, conclusions from or with regard to any factor or analysis that it considered. Accordingly, Citizens believes that its analyses must be considered as a whole and that selecting portions of such analyses and factors without considering all analyses and factors, could create a misleading or incomplete view of the processes underlying Citizens' financial analyses and its opinion.

Analyses relating to the value of Candid do not purport to be appraisals or reflect the prices at which Candid may actually be sold. Accordingly, the assumptions and estimates used in, and the results derived from, the financial analyses are inherently subject to substantial uncertainty. Except as otherwise noted, the following quantitative information, to the extent that it is based on market data, is based on market data as it existed on or before February 27, 2026, and is not necessarily indicative of current market conditions.

Citizens' financial analyses and opinion were only one of many factors taken into consideration by the Rallybio Board in its evaluation of the Merger, as described under "*The Merger—Rallybio's Reasons for the Merger*." Consequently, the analyses described below should not be viewed as determinative of the views of the Rallybio Board or management of Rallybio with respect to the Exchange Ratio or as to whether the Rallybio Board would have been willing to determine that a different Exchange Ratio was fair. The Exchange Ratio, as well as the type of consideration payable in the Merger, was determined through arm's-length negotiations between Rallybio and Candid and was approved by the Rallybio Board. Citizens did not recommend any specific Exchange Ratio or other financial terms to Rallybio or the Rallybio Board or that any specific Exchange Ratio or other financial terms constituted the only appropriate consideration for the Merger.

In preparing its analysis, Citizens took into account that the Exchange Ratio is calculated in part by attributing equity value to Rallybio, which it assumed to be \$10.0 million, and by Rallybio Net Cash at Closing, which it assumed to be \$37.5 million, in each case as directed by Rallybio's board of directors. Further, Citizens was advised that the Legacy Assets are contemplated to be disposed for the benefit of holders of Rallybio Common Stock prior to the consummation of the Merger, who will receive contingent value rights relating to the net proceeds received from any disposition or commercialization thereof occurring within a specified disposition period, and that Rallybio is not expected to have any continuing business operations on a standalone basis other than those incidental to Rallybio's status as a publicly traded company. Therefore, Citizens did not ascribe any value to the Legacy Assets or the Rallybio CVRs.

As the Rallybio Board was aware, neither Rallybio's nor Candid's management provided Citizens with, and Citizens did not otherwise have access to, financial forecasts regarding Rallybio's or Candid's businesses. Accordingly, Citizens did not perform discounted cash flow analyses with respect to Rallybio or Candid.

Candid Valuation Analysis—Selected Biopharma Public Companies

Citizens reviewed publicly available information relating to the market capitalization of U.S.-listed, publicly-traded biopharmaceutical companies whose lead product was in Phase 1b/2 through Phase 3 of clinical development, focused on immunology & inflammation indications. The companies meeting these criteria were:

COMPANY	EQUITY VALUE	ENTERPRISE VALUE	LEAD ASSET		
			NAME	INDICATION	STAGE
Immunovant	\$5,816	\$ 4,822	IMVT-1402	Graves' Disease	Phase 2b
Apogee Therapeutics	\$4,980	\$ 4,077	ZUMILOKIBART	Atopic Dermatitis	Phase 2
Spyre Therapeutics	\$3,732	\$ 2,975	SPY001	Ulcerative Colitis	Phase 2
Dianthus Therapeutics	\$2,611	\$ 2,087	Claseprubart	Generalized Myasthenia Gravis	Phase 2
Nektar Therapeutics	\$1,866	\$ 1,372	Rezpegaldesleukin	Atopic Dermatitis	Phase 2b
Nurix Therapeutics	\$1,819	\$ 1,282	Bexobrutideg	Autoimmune Cytopenias	Phase 1b/2
Celldex Therapeutics	\$2,073	\$ 1,493	Barzolvolimab	Chronic Spontaneous Urticaria	Phase 3
Zura Bio	\$ 884	\$ 665	Tibulizumab	Hidradenitis Suppurativa	Phase 2
Avalo Therapeutics	\$ 691	\$ 594	AVTX-009	Hidradenitis Suppurativa	Phase 2

Citizens noted that although such companies had certain financial and operating characteristics that could be considered similar to those of Candid, none of the companies had the same management, make-up, technology, size or mix of businesses as Candid and, accordingly, there were inherent limitations on the applicability of such companies to the valuation analysis of Candid.

Citizens calculated the aggregate enterprise value of each of these companies based upon the closing price of the common stock of each such company on February 26, 2026 and the fully-diluted number of shares outstanding, using the treasury stock method. Citizens then added Candid's estimated net cash of \$216 million and applied a 25% illiquidity discount to reach an adjusted equity value for Candid of between \$1,198 million and \$2,553 million at the 25th and 75th percentiles, respectively, of the valuation of comparable publicly traded companies, which implied an exchange ratio of between 0.2845x and 0.6032x at such respective percentiles, as compared to the assumed exchange ratio of 0.1791x (which does not give effect to the reverse stock split).

The results of this analysis are summarized as follows:

	ENTERPRISE VALUE (In millions)	ADJ. EQUITY VALUE (In millions)	ADJUSTED EQUITY VALUE W/25% ILLIQUIDITY DISCOUNT (In millions)
25th Percentile	\$ 1,282	\$ 1,498	\$ 1,198
75th Percentile	\$ 2,975	\$ 3,191	\$ 2,553

Candid Valuation Analysis—Selected Biopharma Initial Public Offerings

Citizens reviewed publicly available information relating to the U.S.-listed initial public offerings completed since January 1, 2021 for biopharmaceutical companies whose lead product at the time of its IPO was in Phase 1 through Phase 2b/3 of clinical development, focused on immunology & inflammation indications. These initial public offerings are listed below:

COMPANY	IPO DATE	LEAD ASSET (AT IPO)			PRE-MONEY EQUITY VALUE (In millions)	PRE-MONEY ENTERPRISE VALUE (In millions)
		NAME	INDICATION	STAGE		
AgomAb Therapeutics	02/05/26	Ontunisertib	Crohn's Disease	Phase 2a	\$ 580	\$ 428
Upstream Bio	10/10/24	Verekitug	Severe Asthma	Phase 2	\$ 693	\$ 457
Alumis	06/27/24	ESK-001	Plaque Psoriasis	Phase 2	\$ 676	\$ 542
Acelyrin	05/04/23	Izokibep	Hidradenitis Suppurativa	Phase 2b/3	\$ 1,230	\$ 915
Third Harmonic Bio	09/14/22	THB001	Chronic Urticaria	Phase 1	\$ 496	\$ 383
Connect Biopharma Holdings	03/18/21	CBP-201	Atopic Dermatitis	Phase 2b	\$ 781	\$ 626
Prometheus Biosciences	03/11/21	PRA023	Ulcerative Colitis	Phase 1a	\$ 592	\$ 545

Citizens noted that although such companies had certain financial and operating characteristics that could be considered similar to those of Candid, none of the companies had the same management make-up, technology, size or mix of businesses as Candid and, accordingly, there were inherent limitations on the applicability of such companies to the valuation analysis of Candid. Citizens also noted that market conditions have varied over the precedent time periods.

Citizens calculated a pre-money enterprise valuation for these companies and added Candid's estimated net cash of \$216 million to reach an adjusted pre-money equity value for Candid of between \$658 million and \$801 million at the 25th and 75th percentiles, respectively, of the valuation of comparable IPO transactions, which implied an exchange ratio of between 0.1575x and 0.1912x at such respective percentiles, as compared to the assumed exchange ratio of 0.1791x (which does not give effect to the reverse stock split).

The results of this analysis are summarized as follows:

	PRE-MONEY ENTERPRISE VALUE (In millions)	ADJ. PRE-MONEY EQUITY VALUE (In millions)
25th Percentile	\$ 442	\$ 658
75th Percentile	\$ 585	\$ 801

Candid Valuation Analysis—Selected Biopharma Initial Public Offering Step-Ups

Citizens reviewed publicly available information relating to step-up multiples for U.S.-listed initial public offerings since 2021 for biopharmaceutical companies whose lead product at the time of its IPO was in Phase 1 through Phase 2b/3 of clinical development, focused on immunology & inflammation indications. The step-up multiple was derived by dividing the IPO price per share by the price per share of the last financing round prior to IPO. These initial public offerings are listed below:

COMPANY	IPO DATE	LEAD ASSET (AT IPO)			PRE-MONEY EQUITY VALUE (In millions)	STEP-UP MULTIPLE TO IPO
		NAME	INDICATION	STAGE		
AgomAb Therapeutics	02/05/26	Ontunisertib	Crohn's Disease	Phase 2a	\$ 580	1.2x
Upstream Bio	10/10/24	Verekitug	Severe Asthma	Phase 2	\$ 693	1.0x
Alumis	06/27/24	ESK-001	Plaque Psoriasis	Phase 2	\$ 676	1.1x
Acelyrin	05/04/23	Izokibep	Hidradenitis Suppurativa	Phase 2b/3	\$ 1,230	1.5x
Third Harmonic Bio	09/14/22	THB001	Chronic Urticaria	Phase 1	\$ 496	1.0x
Connect Biopharma Holdings	03/18/21	CBP-201	Atopic Dermatitis	Phase 2b	\$ 781	2.7x
Prometheus Biosciences	03/11/21	PRA023	Ulcerative Colitis	Phase 1a	\$ 592	2.2x

Citizens noted that, although such companies had certain financial and operating characteristics that could be considered similar to those of Candid, none of the companies had the same management make-up, technology, size or mix of businesses as Candid and, accordingly, there were inherent limitations on the applicability of such companies to the valuation analysis of Candid. Citizens also noted that market conditions have varied over the precedent time periods.

Citizens calculated the step-up multiple of each of these companies and applied these multiples to Candid's Series B valuation of \$650 million to arrive at an adjusted pre-money valuation range for Candid of between \$683 million and \$1,203 million at the 25th and 75th percentiles, respectively, of the valuation of comparable step-up transactions, which implied an exchange ratio of between 0.1632x and 0.2855x at such respective percentiles, as compared to the assumed exchange ratio of 0.1791x (which does not give effect to the reverse stock split).

The results of this analysis are summarized as follows:

	STEP-UP MULTIPLE TO IPO	IMPLIED CANDID PRE-MONEY VALUATION (In millions)
25th Percentile	1.1x	\$ 683
75th Percentile	1.9x	\$ 1,203

General

Citizens, as part of its investment banking business, is customarily engaged in the valuation of businesses and their securities in connection with mergers and acquisitions, negotiated underwritings, competitive biddings, secondary distributions of securities, private placements and valuations for estate, corporate and other purposes.

Citizens did not have a material relationship with, or otherwise receive fees from, Rallybio or Candid during the two years preceding the date of its opinion, other than its provision of ordinary course equity research coverage of Rallybio. Consistent with applicable legal and regulatory requirements, Citizens has adopted policies and procedures to establish and maintain the independence of its research department and personnel. As a result, Citizens' research analysts may hold views, make statements or investment recommendations and/or publish research reports with respect to Rallybio or the Merger that differ from the views of its investment banking personnel.

In the ordinary course of its trading, brokerage, investment management and financing activities, Citizens may at any time hold long or short positions, and may trade or otherwise effect transactions, for its own account or the accounts of customers, in debt or equity securities of parties to the Merger or other companies or any currency that may be involved in the Merger. In the future, Citizens may maintain other relationships with, and provide advisory and other services to the Candid, Rallybio and their respective affiliates, and may receive fees for providing such services.

The Rallybio Board selected Citizens to act as Rallybio's financial advisor based on Citizens' qualifications, reputation, experience and expertise in the biopharmaceuticals industry, its knowledge of and involvement in recent transactions in the biopharmaceutical industry, and its relationship and familiarity with Rallybio and its business. Citizens is an internationally recognized investment banking firm that has substantial experience in transactions similar to this transaction.

In connection with Citizens' services as a financial advisor to Rallybio, Rallybio has agreed to pay Citizens a fee of \$750,000, which became payable upon the rendering by Citizens of its opinion on March 1, 2026. In addition, Rallybio agreed to reimburse certain of Citizens' expenses arising, and to indemnify Citizens against certain liabilities that may arise, out of Citizens' engagement. The terms of the fee arrangements between Citizens and Rallybio, which are customary in transactions of this nature, were negotiated at arm's-length between Citizens and Rallybio, and the Rallybio Board was aware of these arrangements.

Certain Disclosures Regarding Evercore Group L.L.C. (Rallybio's Financial Advisor)

Evercore has acted as financial advisor to the Rallybio Board in connection with the Merger. Pursuant to the terms of Evercore's engagement letter with Rallybio, Rallybio has agreed to pay Evercore a fee for its services in the amount of approximately \$2.25 million, which will be payable contingent upon the consummation of the Merger. Rallybio has also agreed to reimburse Evercore's expenses and to indemnify Evercore against certain liabilities arising out of the engagement.

During the two-year period ending on February 19, 2026, Evercore and its affiliates have not been engaged to provide financial advisory or other services to Rallybio and have not received any compensation from Rallybio during such period. In addition, during the two-year period ending on February 19, 2026, Evercore and its affiliates have not been engaged to provide financial advisory or other services to Candid and have not received any compensation from Candid during such period. Evercore may provide financial advisory or other services to Rallybio and Candid in the future, and in connection with any such services Evercore may receive compensation.

Evercore and its affiliates engage in a wide range of activities for their own accounts and the accounts of customers, including corporate finance, mergers and acquisitions, equity sales, trading and research, private equity, placement agent, asset management and related activities. In connection with these businesses or otherwise, Evercore its affiliates and/or their respective employees, as well as investment funds in which any of them may have a financial interest, may at any time, directly or indirectly, hold long or short positions and may trade or otherwise effect transactions for their own accounts or the accounts of customers, in debt or equity securities, senior loans and/or derivative products or other financial instruments of or relating to Rallybio, Candid, potential parties to the Merger and/or any of their respective affiliates or persons that are competitors, customers or suppliers of Rallybio or Candid.

Interests of Rallybio's Directors and Executive Officers in the Merger

In considering the recommendation of the Rallybio Board with respect to issuing shares of Rallybio Common Stock in the Merger and other matters to be acted upon by the Rallybio stockholders at the Rallybio annual meeting, the Rallybio stockholders should be aware that Rallybio's directors and executive officers have interests in the Merger that are different from, or in addition to, the interests of Rallybio stockholders generally. The Rallybio Board was aware of these potential conflicts of interest and considered them, among other matters, in reaching its decision to approve the Merger Agreement and the Merger, and to recommend that the Rallybio stockholders approve the proposals to be presented to the Rallybio stockholders for consideration at the Rallybio annual meeting as contemplated by this proxy statement/prospectus. These interests include the following:

- Under the Merger Agreement, Rallybio's directors and executive officers are entitled to continued indemnification, expense advancements and insurance coverage;

- In connection with the Merger, each option to purchase Rallybio Common Stock, restricted stock unit with respect to Rallybio Common Stock and performance-based stock unit with respect to Rallybio Common Stock held by Rallybio's directors and executive officers as of the Effective Time will vest in full upon the Closing; and
- Each Rallybio executive officer may be eligible to receive enhanced severance benefits pursuant to their respective employment agreements with Rallybio in the event of a qualifying termination of employment following the Merger.

These interests are discussed in more detail below.

Treatment of Shares of Rallybio Common Stock

Each share of Rallybio Common Stock issued and outstanding at the time of the Merger will remain issued and outstanding, and, subject to the proposed reverse stock split, will be unaffected by the Merger. Rallybio's directors and executive officers will continue to hold their existing shares of Rallybio Common Stock following the consummation of the Merger. In addition, holders of Rallybio Common Stock as of the close of business on the last business day prior to the day on which the Effective Time occurs will receive one Rallybio CVR for each outstanding share of Rallybio Common Stock held by such holder on such date (as described in more detail in the section titled "*Agreements Related to the Merger—Rallybio Contingent Value Rights Agreement*"). For more information regarding the beneficial ownership of Rallybio Common Stock by Rallybio's directors and executive officers, see the section titled "*Principal Stockholders of Rallybio*" of this proxy statement/prospectus. As of March 6, 2026, the directors and executive officers of Rallybio and their affiliates beneficially owned, in the aggregate, approximately 31.1% of the outstanding shares of Rallybio Common Stock (including shares issuable upon exercise of stock options exercisable within 60 days of such date).

The following table sets forth, for each Rallybio director and executive officer, the number of shares of Rallybio Common Stock beneficially owned as of March 6, 2026, as well as the number of shares of Rallybio Common Stock held directly (excluding shares issuable upon exercise of stock options exercisable within 60 days of such date and shares held through affiliated investment funds):

NAME	SHARES OF COMMON STOCK BENEFICIALLY OWNED (#)⁽¹⁾	SHARES OF COMMON STOCK HELD DIRECTLY (EXCLUDING OPTIONS) (#)⁽²⁾
Stephen Uden, M.D.	172,651	92,539
Jonathan I. Lieber	43,192	4,115
Steven Ryder, M.D.	79,672	25,444
Martin Mackay, Ph.D.	170,260	91,808
Helen M. Boudreau	10,338	2,980
Wendy Chung	8,151	—
Robert Hopfner, R.Ph., Ph.D.	317,914	—
Ronald M. Hunt	437,658	—
Lucian Iancovici, M.D.	—	—
Hui Liu, Ph.D.	17,399	—
Christine A. Nash	7,638	—
Paula Soteropoulos	11,011	2,982
All directors and executive officers as a group (12 persons)	1,275,884	219,868

⁽¹⁾ Includes shares of Rallybio Common Stock issuable upon the exercise of stock options exercisable within 60 days of March 6, 2026, and, in the case of Dr. Hopfner and Mr. Hunt, shares held through affiliated investment funds (Pivotal bioVenture Partners and New Leaf Venture Partners, respectively). See "*Principal Stockholders of Rallybio*" for additional information regarding beneficial ownership.

⁽²⁾ Represents shares of Rallybio Common Stock held directly, excluding shares issuable upon exercise of stock options exercisable within 60 days and shares held through affiliated investment funds. No restricted stock units are included in the table above.

Treatment of Rallybio Equity Awards

Pursuant to the Merger Agreement, before the Effective Time, Rallybio is required to take all actions necessary to provide that all Rallybio Stock Awards (as defined in the Merger Agreement, which includes all outstanding options to purchase Rallybio Common Stock, restricted stock units and performance-based restricted stock units granted under the Rallybio Corporation 2021 Equity Incentive Plan (the “2021 Plan”)) shall be fully vested as of the Effective Time and that no option to purchase Rallybio Common Stock shall be exercised later than 90 days following the termination of service of the holder of such option. As a result, all unvested stock options, restricted stock units and performance-based restricted stock units held by Rallybio’s directors and executive officers will become fully vested as of the Effective Time.

The following table sets forth, for each Rallybio director and executive officer, the number of unvested stock options, restricted stock units and performance-based restricted stock units outstanding as of March 6, 2026, and the estimated intrinsic value of accelerated vesting upon the Closing, calculated based on a per share price of \$10.91 (the closing price of Rallybio Common Stock on the Nasdaq Capital Market on March 6, 2026). As of March 6, 2026, the unvested stock options held by Rallybio’s executive officers had exercise prices ranging from \$6.08 to \$54.48 per share. Of these, only the unvested stock options with an exercise price of \$6.08 per share (granted February 14, 2025) had an exercise price that was less than the closing price of Rallybio Common Stock on such date. All other unvested stock options held by the executive officers had exercise prices in excess of the \$10.91 per share closing price and accordingly had no intrinsic value. The actual amounts payable in respect of Rallybio Stock Awards held by directors and executive officers of Rallybio will depend on the number of shares of Rallybio Common Stock subject to Rallybio Stock Awards held by such persons as of the Effective Time, which may differ from the amounts set forth in the table below.

NAME	UNVESTED STOCK OPTIONS (#)	UNVESTED RESTRICTED STOCK UNITS OR PERFORMANCE-BASED RESTRICTED STOCK UNITS (#)	ESTIMATED VALUE OF ACCELERATED VESTING \$(⁽¹⁾)
Executive Officers			
Stephen Uden, M.D.	62,143		205,444
Jonathan I. Lieber	31,232	2,500 ⁽²⁾	108,781
Steven Ryder, M.D.	27,765		81,506
Non-Employee Directors			
Martin Mackay, Ph.D. ⁽³⁾	41,234		136,426
Helen M. Boudreau	3,562		30,392
Wendy Chung	3,562		30,392
Robert Hopfner, R.Ph., Ph.D.	3,562		30,392
Ronald M. Hunt ⁽⁴⁾	17,867		114,404
Lucian Iancovici, M.D.	—		—
Hui Liu, Ph.D.	3,562		30,392
Christine A. Nash	3,562		30,392
Paula Soteropoulos	3,562		30,392

⁽¹⁾ Estimated value of accelerated vesting represents the aggregate intrinsic value of unvested stock options (i.e., the excess, if any, of \$10.91 per share over the per share exercise price, multiplied by the number of unvested shares underlying such option) and the aggregate value of unvested restricted stock units (“RSUs”) or performance-based restricted stock units (“PSUs”) (i.e., \$10.91 per share multiplied by the number of unvested RSUs or PSUs). As of March 6, 2026, the unvested stock options held by the named executive officers (Drs. Uden and Ryder and Mr. Lieber) had exercise prices ranging from \$6.08 to \$54.48 per share. Of these, only the stock options granted on February 14, 2025 with an exercise price of \$6.08 per share were in the money, with an intrinsic value of \$4.83 per share (\$10.91 minus \$6.08). All other unvested stock options held by the named executive officers had exercise prices in excess of the \$10.91 per share closing price and accordingly had no intrinsic value. Mr. Lieber’s January 2025 PSU grant of 15,000 shares was cancelled during fiscal year 2025 and accordingly is not reflected in this table. The May 2025 director options, the February 2026 in-lieu-of-cash options, and the options held by the named executive officers with a \$6.08 exercise price were the only in-the-money unvested options as of March 6, 2026.

- (2) Represents 2,500 unvested PSUs granted to Mr. Lieber on February 18, 2026. See "Mr. Lieber's PSU Awards" below for additional information.
- (3) Includes 18,055 shares underlying an option granted on February 18, 2026 in lieu of Dr. Mackay's 2026 annual cash retainer of \$65,000. These options vest in 11 equal monthly installments on the last day of each remaining month of calendar year 2026 and have an exercise price of \$4.45 per share, which was below the \$10.91 per share closing price on March 6, 2026. As of March 6, 2026, one of the 11 installments had vested (approximately 1,641 shares), and the remaining approximately 16,414 shares were unvested with an aggregate intrinsic value of approximately \$106,034 (16,414 shares × \$6.46 per share).
- (4) Includes 14,305 shares underlying an option granted on February 18, 2026 in lieu of Mr. Hunt's 2026 annual cash retainer of \$51,500. These options vest in 11 equal monthly installments on the last day of each remaining month of calendar year 2026 and have an exercise price of \$4.45 per share, which was below the \$10.91 per share closing price on March 6, 2026. As of March 6, 2026, one of the 11 installments had vested (approximately 1,300 shares), and the remaining approximately 13,005 shares were unvested with an aggregate intrinsic value of approximately \$84,012 (13,005 shares × \$6.46 per share).

Amendments to Employment Agreements

In connection with the Merger, on March 1, 2026, Rallybio and each of Dr. Uden, Mr. Lieber, and Dr. Ryder entered into amendments to their respective employment agreements to clarify that the Merger will constitute a "change in control" for purposes of each executive's employment agreement. As a result, if any of these executive officers experiences a qualifying termination of employment (i.e., termination without cause or resignation for good reason) within the 12-month period following the Closing, the executive will be entitled to receive enhanced change-in-control severance benefits, including: (i) an amount equal to 1.5 times the sum of the executive's annual base salary and target annual bonus, payable over 18 months; (ii) any earned but unpaid annual bonus with respect to the calendar year ending on or preceding the date of termination; (iii) payment of COBRA premiums for up to 18 months; and (iv) in the case of Mr. Lieber and Dr. Ryder, full vesting of any outstanding and unvested equity awards that are subject solely to time-based vesting.

With respect to Dr. Uden, his second amended and restated employment agreement provides that any outstanding and unvested time-based equity awards held by him as of a change in control will vest in full upon the consummation of the change in control, subject to his continued employment through the date of such change in control.

For a full description of the terms of the employment agreement with Dr. Ryder (the "Ryder Employment Agreement"), including Dr. Ryder's non-change-in-control severance benefits and restrictive covenants, see "*Rallybio Executive Officer and Director Compensation—Narrative Disclosure to Summary Compensation Table—Severance upon termination of employment; change in control; restrictive covenants*" of this proxy statement/prospectus.

Dr. Mackay's Consulting Agreement

Under Dr. Mackay's consulting agreement with Rallybio and Rallybio, LLC, effective January 1, 2025, Dr. Mackay provides consulting services to the Rallybio for a fee of \$18,750 per month (\$225,000 on an annualized basis). In the event of a Change in Control (as defined in the consulting agreement), Dr. Mackay's outstanding time-based equity awards that were outstanding as of December 31, 2024 will vest in full upon the consummation of the Change in Control, subject to Dr. Mackay's continued service relationship with Rallybio through the date of such Change in Control. Because the Merger Agreement requires Rallybio to take all actions necessary to provide that all Rallybio Stock Awards shall be fully vested as of the Effective Time, all of Dr. Mackay's outstanding equity awards will become fully vested as of the Effective Time.

Mr. Lieber's PSU Award

On January 29, 2025, Mr. Lieber was granted 15,000 PSUs under the 2021 Plan. The January 2025 PSUs were subsequently cancelled during fiscal year 2025 and were not outstanding as of December 31, 2025. On February 18, 2026, Mr. Lieber was granted 5,000 PSUs, of which 2,500 vested on the date of grant (with 789 shares sold on February 23, 2026 at \$5.06 per share to cover applicable withholding taxes, resulting in a net issuance of 1,711 shares) and the remaining 2,500 PSUs will vest on the six-month anniversary of a Change in Control, provided that a Change in Control is consummated on or before December 31, 2026. The Merger will constitute a Change in Control for purposes of the PSUs. Because the Merger Agreement requires Rallybio to take all actions necessary to provide that all Rallybio Stock Awards shall be fully vested as of the Effective Time, the PSUs will vest as of the Effective Time.

Interests of Candid's Directors and Executive Officers in the Merger

In considering the recommendation of the Candid Board with respect to approving the Merger, Rallybio stockholders should be aware that Candid's directors and executive officers have interests in the Merger that are different from, or in addition to, the interests of Candid's stockholders generally. These interests may present them with actual or potential conflicts of interest, and these interests, to the extent material, are described below.

The Candid Board was aware of these potential conflicts of interest and considered them, among other matters, in reaching its decision to approve the Merger Agreement and the Merger, and to recommend that the Candid stockholders approve the Merger.

Ownership Interests

As of February 28, 2026, the directors and executive officers of Candid as a group beneficially owned in the aggregate approximately 7.1% of the outstanding shares of Candid Capital Stock. In addition, Dr. Song, his spouse and children are beneficiaries of the Song Beneficiary Trust, which is managed by an independent third-party trustee and which holds approximately 6.5% of the outstanding shares of Candid Capital Stock. In addition, each of Candid's director and executive officers or their respective affiliates who beneficially own any shares of Candid Capital Stock also entered into a support agreement in connection with the Merger. For a more detailed discussion of the support agreements, please see the section titled "*Agreements Related to the Merger—Support Agreements.*"

Treatment of Candid Stock Options

Under the terms of the Merger Agreement, each Candid stock option that is outstanding and unexercised immediately prior to the Effective Time under the Candid 2024 Plan, whether or not vested, will be converted into and become an option to purchase shares of Rallybio Common Stock at the Effective Time. Rallybio will assume the Candid 2024 Plan and all such Candid stock options in accordance with the terms of the Candid 2024 Plan and the terms of the stock option agreement by which such option is evidenced. See the section titled "*The Merger Agreement—Treatment of Candid Stock Options.*"

As of February 28, 2026, each of Dr. Song, Dr. Lu, Mr. Kush, Dr. Huyghe, Dr. You and Mr. Puckett beneficially own Candid stock options to purchase 10,000,000, 1,200,000, 1,000,000, 500,000, 200,000 and 200,000 shares of Candid Common Stock, respectively, that will vest or begin vesting, if at all, upon or following a Liquidity Event (as defined below), which will be satisfied in connection with the Contemplated Transactions. In addition, Mr. Puckett holds a Candid stock option to purchase 1,638,750 shares of Candid Common Stock that is subject to time-based vesting conditions. All of these Candid stock options will be assumed by Rallybio and converted into options to purchase Rallybio Common Stock in accordance with the Merger Agreement. See the sections titled "*Candid Executive Officer and Director Compensation—Equity-Based Incentive Awards*" and "*Candid Executive Officer and Director Compensation—Director Compensation.*"

Management Following the Merger

As described in the section captioned "*Management Following the Merger*", Candid's executive officers and directors are currently expected to become the executive officers and directors of the combined company.

Indemnification and Insurance

For a discussion of the indemnification and insurance provisions related to Candid's executive officers and directors under the Merger Agreement, please see the sections titled "*The Merger Agreement—Other Agreements—Director Indemnification and Insurance*" and "*Certain Relationships and Related Party Transactions of the Combined Company—Candid Related Party Transactions—Indemnification Agreements.*"

Executive Officers of the Combined Company Following the Merger

Effective as of the Closing, the combined company's executive officers are expected to be the individuals designated by Candid. Candid currently expects that the following individuals will serve as the executive officers of the combined company following the Merger:

NAME	TITLE
Ken Song, M.D.	<i>President and Chief Executive Officer</i>
Tim Lu, M.D., Ph.D.	<i>Chief Medical Officer and Chief Scientific Officer</i>
Arvind Kush	<i>Chief Financial Officer and Chief Business Officer</i>
Bernie Huyghe, Ph.D.	<i>Chief Technology Officer</i>

Merger Consideration

At the Effective Time, each share of Candid Capital Stock outstanding immediately prior thereto (excluding shares held by stockholders who have exercised and perfected appraisal rights, shares held as treasury stock by Candid or held or owned by Rallybio, Merger Sub or any subsidiary of Rallybio or Candid and shares issued in the Concurrent Financing), will be converted into the right to receive a number of shares of Rallybio Common Stock equal to the Exchange Ratio. Additionally, the Candid Common Stock issued in the Concurrent Financing will be converted solely into the right to receive a number of shares of Rallybio Common Stock equal to the Concurrent Financing Exchange Ratio, which is calculated by multiplying the total amount of Concurrent Financing Merger Shares by the percentage of the Concurrent Financing Proceeds represented by the applicable stockholder's investment in the Concurrent Financing, in each case as set forth on the Allocation Certificate.

No fractional shares of Rallybio Common Stock will be issued in connection with the Merger, and no certificates or scrip for any such fractional shares will be issued. Any holder of Candid Capital Stock who would otherwise be entitled to receive a fraction of a share of Rallybio Common Stock (after aggregating all fractional shares of Rallybio Common Stock issuable to such holder) will receive from Rallybio, in lieu of such fraction of a share: (i) one share of Rallybio Common Stock if the aggregate amount of fractional shares of Rallybio Common Stock such holder of Candid Capital Stock would otherwise be entitled to is equal to or exceeds 0.50; or (ii) no shares of Rallybio Common Stock if the aggregate amount of fractional shares of Rallybio Common Stock such holder of Candid Capital Stock would otherwise be entitled to is less than 0.50, with no cash being paid for any fractional share eliminated by such rounding.

Treatment of Candid Stock Options

Under the terms of the Merger Agreement, each Candid stock option that is outstanding and unexercised immediately prior to the Effective Time under the Candid 2024 Plan, whether or not vested, will be converted into and become an option to purchase shares of Rallybio Common Stock at the Effective Time. Rallybio will assume the Candid 2024 Plan and all such Candid stock options in accordance with the terms of the Candid 2024 Plan and the terms of the stock option agreement by which such option is evidenced.

Accordingly, from and after the Effective Time: (i) each outstanding Candid stock option assumed by Rallybio may be exercised solely for shares of Rallybio Common Stock; (ii) the number of shares of Rallybio Common Stock subject to each outstanding Candid stock option assumed by Rallybio will be determined by multiplying (A) the number of shares of Candid Common Stock that were subject to such Candid stock option, by (B) the Exchange Ratio, and rounding the resulting number down to the nearest whole number of shares of Rallybio Common Stock; (iii) the per share exercise price for the Rallybio Common Stock issuable upon exercise of each Candid stock option assumed by Rallybio will be determined by dividing (A) the per share exercise price of such Candid stock option, by (B) the Exchange Ratio and rounding the resulting exercise price up to the nearest whole cent; and (iv) any restriction on the exercise of any Candid stock option assumed by Rallybio will continue in full force and effect and the term, exercisability, vesting schedule and any other provisions of such Candid stock option will otherwise remain unchanged; provided, however, that the Rallybio Board or a committee thereof will succeed to the authority and responsibility of the Candid Board or any committee thereof with respect to each Candid stock option assumed by Rallybio.

Effective Time of the Merger

The Merger will be completed on the second business day after all of the conditions to the Closing are satisfied or waived, including the approval of the stockholders of Rallybio, unless earlier terminated in accordance with the terms of the Merger Agreement. For more information on termination rights, see the section titled “*The Merger Agreement—Termination and Termination Fees.*” The Merger is anticipated to occur after the Rallybio annual meeting. Neither Rallybio nor Candid can predict the exact timing of the consummation of the Merger.

Regulatory Approvals

In the United States, Rallybio must comply with applicable federal and state securities laws and the rules and regulations of Nasdaq in connection with (i) the issuance of shares of Rallybio Common Stock to Candid stockholders in connection with the transactions contemplated by the Merger Agreement and the change of control resulting from the Merger and (ii) the filing of this proxy statement/prospectus with the SEC.

The Merger is subject to the requirements of the HSR Act and the related rules and regulations, which provide that certain transactions may not be completed until notification and report forms have been furnished to the DOJ and the FTC and until certain waiting periods have been terminated or have expired. The HSR Act requires Rallybio and Candid to observe a 30-calendar-day waiting period after the submission of their respective HSR notification and report forms before consummating the Merger. The waiting period may be shortened if the reviewing agency grants “early termination” of the waiting period or lengthened if the acquiring person (here Rallybio) voluntarily withdraws and refiles to allow a second 30-calendar-day waiting period, or if the reviewing agency issues a request for additional information or documentary material (a “Second Request”) prior to the expiration of the initial waiting period, the parties must observe a second 30-calendar-day waiting period, which begins to run only after each of the parties has substantially complied with the Second Request.

On March 13, 2026, Rallybio and Candid each filed a notification and report form under the HSR Act with the DOJ and the FTC. The applicable waiting period required under the HSR Act will expire at 11:59 p.m., Eastern Time, on April 13, 2026, unless early termination is granted, Rallybio withdraws and refiles its notification and report form, or a Second Request is issued.

Material U.S. Federal Income Tax Consequences of the Merger

Rallybio stockholders will not sell, exchange or dispose of any shares of Rallybio Common Stock as a result of the Merger. Thus, there will be no material U.S. federal income tax consequences to Rallybio stockholders as a result of the Merger.

Nasdaq Stock Market Listing

Rallybio Common Stock is currently listed on Nasdaq under the symbol “RLYB.” Pursuant to the Merger Agreement, Rallybio has agreed to (a) use commercially reasonable efforts to maintain its existing listing on Nasdaq until the Closing, (b)(i) to the extent required by the rules and regulations of Nasdaq, prepare and submit to Nasdaq a notification form for the listing of the shares of Rallybio Common Stock being issued in the Merger, and (ii) use commercially reasonable efforts to cause such shares to be approved for listing (subject to official notice of issuance) on the Nasdaq market at or prior to the Effective Time, and (c) to the extent required by Nasdaq Marketplace Rule 5110, to file an initial Nasdaq Listing Application for the Rallybio Common Stock on Nasdaq and to use commercially reasonable efforts to cause such listing application to be conditionally approved prior to the Effective Time.

Each party will reasonably promptly inform the other party of all verbal or written communications between Nasdaq and such party or its representatives. Each party will cooperate with the other party as reasonably requested with respect to the Nasdaq listing application and promptly furnish to such party all information concerning itself, its members and its stockholders that may be reasonably requested in connection with any action contemplated by the foregoing paragraph.

If the Nasdaq listing application is accepted, Rallybio anticipates that the common stock of the combined company will be listed on Nasdaq following the Closing under the trading symbol “CDRX.” In order for the Nasdaq listing application to be accepted, among other requirements, the combined company must maintain a bid price of \$4.00 or higher for a certain period of time following the proposed reverse stock split. As of , 2026, the bid price of Rallybio Common Stock was \$

Anticipated Accounting Treatment

The Merger is expected to be accounted for under GAAP as an in-substance reverse recapitalization. For accounting purposes, Candid is expected to be considered the accounting acquirer. The treatment as an in-substance reverse recapitalization is based on the assessment that as a result of Rallybio's discontinuation of its research and development activities and settlement of its other remaining operating assets and liabilities, immediately prior to the Closing, Rallybio is expected to have nominal assets, apart from cash and cash equivalents and marketable securities. Under a reverse recapitalization, Candid is considered to effect a financing transaction in exchange for issuing equity.

Appraisal Rights

Rallybio

Under the DGCL, Rallybio stockholders are not entitled to appraisal rights in connection with the Merger.

Candid

Candid stockholders are entitled to appraisal rights in connection with the Merger under Section 262 of the DGCL.

The discussion below is not a complete summary regarding Candid stockholders' appraisal rights under Delaware law and is qualified in its entirety by reference to the text of the relevant provisions of Delaware law, which are attached as Annex O. Stockholders intending to exercise appraisal rights should carefully review Annex O. Failure to follow precisely any of the statutory procedures set forth in Annex O may result in a termination or waiver of these rights. This summary does not constitute legal or other advice, nor does it constitute a recommendation that Candid stockholders exercise their appraisal rights under Delaware law.

Under Section 262, where a merger is adopted by stockholders by written consent in lieu of a meeting of stockholders pursuant to Section 228 of the DGCL, either the constituent corporation before the effective date of such merger or the surviving corporation, within 10 days after the effective date of such merger, must notify each stockholder of the constituent corporation entitled to appraisal rights of the approval of such merger, the effective date of such merger and that appraisal rights are available.

If the Merger is completed, within 10 days after the effective date of the Merger, Candid will notify its stockholders that the Merger has been approved, the effective date of the Merger and that appraisal rights are available to any stockholder who has not approved the Merger. Holders of shares of Candid Capital Stock who desire to exercise their appraisal rights must deliver a written demand for appraisal to Candid within 20 days after the date of the giving of that notice, and that stockholder must not have delivered a written consent approving the Merger. A demand for appraisal must reasonably inform Candid of the identity of the stockholder and that such stockholder intends thereby to demand appraisal of the shares of Candid Capital Stock held by such stockholder. Failure to deliver a written consent approving the Merger will not in and of itself constitute a written demand for appraisal satisfying the requirements of Section 262. All demands for appraisal should be addressed to Candid, 11622 El Camino Real, Suite 150, San Diego, CA 92130, Attention: Jeff Woodley, Email: legal@candidrx.com, and should be executed by, or on behalf of, the record holder of shares of Candid Capital Stock. ALL DEMANDS MUST BE RECEIVED BY CANDID WITHIN 20 DAYS AFTER THE DATE CANDID GIVES A NOTICE TO ITS STOCKHOLDERS NOTIFYING THEM THAT THE MERGER HAS BEEN APPROVED, THE EFFECTIVE DATE OF THE MERGER AND THAT APPRAISAL RIGHTS ARE AVAILABLE TO ANY STOCKHOLDER WHO HAS NOT APPROVED THE MERGER.

If a Candid stockholder fails to deliver a written demand for appraisal within the time period specified above, such stockholder will be entitled to receive the merger consideration for his, her or its shares of Candid Capital Stock as provided for in the Merger Agreement, but such stockholder will have no appraisal rights with respect to his, her or its shares of Candid Capital Stock. To be effective, a demand for appraisal by a holder of shares of Candid Capital Stock must be made by, or in the name of, the registered stockholder, fully and correctly, as the stockholder's name appears on the stockholder's stock certificate(s). Beneficial owners who do not also hold the shares of record may not directly make appraisal demands to Candid. The beneficial owner must, in these cases, have the registered owner, such as a broker, bank or other custodian, submit the required demand in respect of those shares. If shares are owned of record in a fiduciary capacity, such as by a trustee, guardian or custodian, execution of a demand for appraisal should be made by or for the fiduciary; and if the shares are owned of record by more than one person, as

in a joint tenancy or tenancy in common, the demand should be executed by or for all joint owners. An authorized agent, including an authorized agent for two or more joint owners, may execute the demand for appraisal for a stockholder of record; however, the agent must identify the record owner or owners and expressly disclose the fact that, in executing the demand, he or she is acting as agent for the record owner. A record owner, such as a broker, who holds shares as a custodian for others, may exercise the record owner's right of appraisal with respect to the shares held for one or more beneficial owners, while not exercising this right for other beneficial owners. In that case, the written demand should state the number of shares as to which appraisal is sought. Where no number of shares is expressly mentioned, the demand will be presumed to cover all shares held in the name of the record owner. In addition, the stockholder must continuously hold the shares of record from the date of making the demand through the Effective Time.

If a stockholder holds its shares of Candid Capital Stock in a brokerage account or in other custodian form and such stockholder wishes to exercise appraisal rights, such stockholder should consult with his, her or its bank, broker or other custodian to determine the appropriate procedures for the making of a demand for appraisal by the custodian.

At any time within 60 days after the Effective Time, any stockholder who has demanded an appraisal, but has neither commenced an appraisal proceeding or joined an appraisal proceeding as a named party, has the right to withdraw such stockholder's demand and accept the terms of the Merger by delivering a written withdrawal to Candid. If, following a demand for appraisal, such stockholder withdraws his, her or its demand for appraisal in accordance with Section 262, such stockholder will have the right to receive the merger consideration for his, her or its shares of Candid Capital Stock.

Within 120 days after the effective date of the Merger, any stockholder who has delivered a demand for appraisal in accordance with Section 262 will, upon written request to the combined company, be entitled to receive a written statement setting forth the aggregate number of shares not voted in favor of the Merger Agreement and with respect to which demands for appraisal rights have been received and the aggregate number of holders of these shares. This written statement will be given to the requesting stockholder within 10 days after the stockholder's written request is received by the combined company or within 10 days after expiration of the period for delivery of demands for appraisal, whichever is later. Within 120 days after the effective date of the Merger, either the combined company or any stockholder who has delivered a demand for appraisal in accordance with Section 262 may file a petition in the Delaware Court of Chancery demanding a determination of the fair value of the shares held by all such stockholders. Upon the filing of the petition by a stockholder, service of a copy of the petition must be made upon the combined company. The combined company has no obligation to file a petition in the Delaware Court of Chancery in the event there are dissenting stockholders, and Candid, which is expected to be the combined company, has no present intent to file a petition in the Delaware Court of Chancery. Accordingly, the failure of a stockholder to file a petition within the period specified could nullify the stockholder's previously written demand for appraisal.

If a petition for appraisal is duly filed by a stockholder and a copy of the petition is delivered to the combined company, the surviving corporation will then be obligated, within 20 days after receiving service of a copy of the petition, to provide the Delaware Court of Chancery with a duly verified list containing the names and addresses of all stockholders who have demanded an appraisal of their shares and with whom agreements as to the value of their shares have not been reached by the combined company. After notice to dissenting stockholders who demanded appraisal of their shares, the Delaware Court of Chancery is empowered to conduct a hearing upon the petition, and to determine those stockholders who have complied with Section 262 and who have become entitled to the appraisal rights provided thereby. The Delaware Court of Chancery may require the stockholders who have demanded appraisal for their shares to submit their stock certificates to the Register in Chancery for notation thereon of the pendency of the appraisal proceedings; and if any stockholder fails to comply with that direction, the Delaware Court of Chancery may dismiss the proceedings as to that stockholder.

After determination of the stockholders entitled to appraisal of their shares, the Delaware Court of Chancery will appraise the "fair value" of the shares owned by those stockholders. This value will be exclusive of any element of value arising from the accomplishment or expectation of the Merger, but may include a fair rate of interest, if any, upon the amount determined to be the fair value. When the value is determined, the Delaware Court of Chancery will direct the payment of the value, with interest thereon accrued during the pendency of the proceeding, if the Delaware Court of Chancery so determines, to the stockholders entitled to receive the same, upon surrender by the holders of the certificates

representing those shares. At any time before the entry of judgment in the proceedings, the combined company may pay to each stockholder entitled to appraisal an amount in cash, in which case interest shall accrue thereafter only upon the sum of (i) the difference, if any, between the amount so paid and the fair value of the shares subject to appraisal as determined by the Delaware Court of Chancery and (ii) interest theretofore accrued, unless paid at that time.

In determining fair value, and, if applicable, a fair rate of interest, the Delaware Court of Chancery is required to take into account all relevant factors. In *Weinberger v. UOP, Inc.*, the Delaware Supreme Court discussed the factors that could be considered in determining fair value in an appraisal proceeding, stating that “proof of value by any techniques or methods which are generally considered acceptable in the financial community and otherwise admissible in court” should be considered, and that “fair price obviously requires consideration of all relevant factors involving the value of a company.”

Section 262 provides that fair value is to be “exclusive of any element of value arising from the accomplishment or expectation of the merger.” In *Cede & Co. v. Technicolor, Inc.*, the Delaware Supreme Court stated that this exclusion is a “narrow exclusion [that] does not encompass known elements of value,” but which rather applies only to the speculative elements of value arising from such accomplishment or expectation. In *Weinberger*, the Delaware Supreme Court construed Section 262 to mean that “elements of future value, including the nature of the enterprise, which are known or susceptible of proof as of the date of the merger and not the product of speculation, may be considered.”

Candid stockholders should be aware that the fair value of their shares as determined under Section 262 could be more than, the same as, or less than the value that such stockholders are entitled to receive under the terms of the Merger Agreement.

Costs of the appraisal proceeding may be imposed upon the combined company and the stockholders participating in the appraisal proceeding by the Delaware Court of Chancery as the Court deems equitable in the circumstances. Upon the application of a stockholder, the Delaware Court of Chancery may order all or a portion of the expenses incurred by any stockholder in connection with the appraisal proceeding, including, without limitation, reasonable attorneys’ fees and the fees and expenses of experts, to be charged pro rata against the value of all shares entitled to appraisal. In the absence of such a determination of assessment, each party bears its own expenses. Any stockholder who had demanded appraisal rights will not, after the Effective Time, be entitled to vote shares subject to that demand for any purpose or to receive payments of dividends or any other distribution with respect to those shares, other than with respect to payment as of a record date prior to the Effective Time; however, if no petition for appraisal is filed within 120 days after the Effective Time, or if the stockholder delivers a written withdrawal of his or her demand for appraisal and an acceptance of the terms of the Merger within 60 days after the Effective Time, then the right of that stockholder to appraisal will cease and that stockholder will be entitled to receive the merger consideration for shares of his, her or its Candid Capital Stock pursuant to the Merger Agreement. Any withdrawal of a demand for appraisal made more than 60 days after the Effective Time may only be made with the written approval of the combined company. No appraisal proceeding in the Delaware Court of Chancery will be dismissed as to any stockholder without the approval of the court.

Failure to follow the steps required by Section 262 for perfecting appraisal rights may result in the loss of appraisal rights. In view of the complexity of Section 262, stockholders who may wish to dissent from the Merger and pursue appraisal rights should consult their legal advisors.

THE MERGER AGREEMENT

The following is a summary of the material terms of the Merger Agreement. A copy of the Merger Agreement is attached as Annex A to this proxy statement/prospectus and is incorporated by reference. The Merger Agreement has been attached to this proxy statement/prospectus to provide you with information regarding its terms. It is not intended to provide any other factual information about Rallybio, Candid or Merger Sub. The following description does not purport to be complete and is qualified in its entirety by reference to the Merger Agreement. You should refer to the full text of the Merger Agreement for details of the Merger and the terms and conditions of the Merger Agreement. Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such terms in the Merger Agreement, except that references to Candid herein shall refer to “the Company” in the Merger Agreement and references to Rallybio herein shall refer to “Parent” in the Merger Agreement.

The Merger Agreement contains representations and warranties that Rallybio and Merger Sub, on the one hand, and Candid, on the other hand, have made to one another as of specific dates. These representations and warranties have been made for the benefit of the other parties to the Merger Agreement and may be intended not as statements of fact but rather as a way of allocating the risk to one of the parties if such statements made in the representations and warranties prove to be incorrect. In addition, the assertions made in the representations and warranties are qualified by the information in confidential disclosure schedules exchanged by the parties in connection with the signing of the Merger Agreement. While Rallybio and Candid do not believe that these disclosure schedules contain information required to be publicly disclosed under applicable securities laws, other than information that has already been so disclosed, the disclosure schedules contain information that modifies, qualifies and creates exceptions to the representations and warranties set forth in the Merger Agreement. Accordingly, you should not rely on the representations and warranties as current characterizations of factual information about Rallybio, Candid or Merger Sub, because they were made as of specific dates, may be intended merely as a risk allocation mechanism between Rallybio and Merger Sub on the one hand, and Candid on the other hand, and may be modified by the additional information in the disclosure schedules.

Structure

Under the Merger Agreement, Merger Sub, a wholly owned subsidiary of Rallybio formed in connection with the Merger, will merge with and into Candid, with Candid surviving as a wholly owned subsidiary of Rallybio. Substantially concurrently with the completion of the Merger, Rallybio will be renamed “Candid Therapeutics, Inc.” and it is expected that the common stock of the combined company will trade on Nasdaq under the symbol “CDRX.”

Completion and Effectiveness of the Merger

The Merger will be completed on the second business day after all of the conditions to the Closing are satisfied or waived, including the approval of the stockholders of Rallybio, unless earlier terminated in accordance with the terms of the Merger Agreement. For more information on termination rights, see the section titled “*The Merger Agreement—Termination and Termination Fees.*” The Merger is anticipated to occur after the Rallybio annual meeting. Rallybio and Candid cannot predict the exact timing of the Closing because it is subject to various conditions.

Merger Consideration and Exchange Ratio

Merger Consideration

At the Effective Time, each share of Candid Capital Stock outstanding immediately prior to the Effective Time (excluding shares held by stockholders who have exercised and perfected appraisal rights, shares held as treasury stock by Candid or held or owned by Rallybio, Merger Sub or any subsidiary of Rallybio or Candid and shares issued in the Concurrent Financing), will be converted into the right to receive a number of shares of Rallybio Common Stock equal to the Exchange Ratio. Additionally, the Candid Capital Stock issued in the Concurrent Financing shall be converted solely into the right to receive a number of shares of Rallybio Common Stock equal to the total amount of Concurrent Financing Merger Shares *multiplied* by the percentage of the Concurrent Financing Proceeds represented by the applicable stockholder’s investment in the Concurrent Financing, in each case as set forth on the Allocation Certificate.

No fractional shares of Rallybio Common Stock will be issued in connection with the Merger, and no certificates or scrip for any such fractional shares will be issued. Any holder of Candid Capital Stock who would otherwise be entitled to receive a fraction of a share of Rallybio Common Stock (after aggregating all fractional shares of Rallybio Common Stock issuable to such holder) shall receive from Rallybio, in lieu of such fraction of a share: (i) one share of Rallybio Common Stock if the aggregate amount of fractional shares of Rallybio Common Stock such holder of Candid Capital Stock would otherwise be entitled to is equal to or exceeds 0.50; or (ii) no shares of Rallybio Common Stock if the aggregate amount of fractional shares of Rallybio Common Stock such holder of Candid Capital Stock would otherwise be entitled to is less than 0.50, with no cash being paid for any fractional share eliminated by such rounding.

Exchange Ratio

The Exchange Ratio formula pursuant to which shares of Candid Capital Stock will be converted into shares of Rallybio Common Stock is derived based on (i) a Candid fixed valuation of \$750.0 million and (ii) an initial Rallybio valuation of \$47.5 million, subject to certain adjustments based on Rallybio Net Cash at Closing.

The Rallybio valuation used to determine the Exchange Ratio will be increased or decreased on a dollar-for-dollar basis to reflect the amount by which Rallybio Net Cash at the Closing is greater than or less than \$37.5 million, or the Rallybio Target Net Cash (as defined below). Accordingly, if Rallybio Net Cash at Closing is greater than \$37.5 million, the Rallybio valuation used to calculate the Exchange Ratio will be increased by the amount of such excess, and if Rallybio Net Cash at Closing is less than \$37.5 million, the Rallybio valuation used to calculate the Exchange Ratio will be decreased by the amount of such shortfall.

Immediately after the Closing, under the Exchange Ratio and Concurrent Financing Exchange Ratio formulas in the Merger Agreement, on a pro forma basis and based upon the number of shares of Rallybio Common Stock expected to be issued in connection with the Merger, the pre-Merger equityholders of Candid (other than holders of shares issued in the Concurrent Financing) are expected to own approximately 57.55% of the combined company, the pre-Merger equityholders of Rallybio are expected to own approximately 3.65% of the combined company, and the holders of shares issued in connection with the Concurrent Financing are expected to own approximately 38.80% of the combined company (assuming proceeds from the Concurrent Financing of \$505.5 million), in each case, calculated on a fully diluted basis, using the treasury stock method, and subject to certain assumptions further described below.

The expected post-Merger equity ownership split percentages are based on the assumed Exchange Ratio and assumed Concurrent Financing Exchange Ratio of 0.0716 for the Candid Capital Stock held by pre-Merger equityholders of Candid and are subject to adjustments based on the final Exchange Ratio, final Concurrent Financing Exchange Ratio and final amount of converted shares. The assumed Exchange Ratio and Concurrent Financing Exchange Ratio were calculated assuming, among other things, (i) a reverse stock split of Rallybio Common Stock at a ratio of 1-for-2.5, to be implemented immediately prior to the Closing, as may be further adjusted, (ii) valuation of Rallybio of \$47.5 million (assuming Rallybio Net Cash at Closing of \$37.5 million), (iii) a fixed valuation of Candid of \$750.0 million, (iv) proceeds from the Concurrent Financing of \$505.5 million, and (v) the relative capitalization of Rallybio and Candid. Such assumed Exchange Ratio and Concurrent Financing Exchange Ratio are subject to certain adjustments, including based on the amount of Rallybio Net Cash at Closing and the final ratio for the reverse stock split of Rallybio Common Stock. The Exchange Ratio and assumed Concurrent Financing Exchange Ratio formulas assumes an implied value of the combined company of approximately \$1.303 billion, subject to certain adjustments. There can be no assurance that these assumptions will be accurate at the Closing when the final Exchange Ratio and Concurrent Financing Exchange Ratio are determined. For more information on the Concurrent Financing, please see the section titled “*Agreements Related to the Merger—Subscription Agreement*” of this proxy statement/prospectus.

The “Exchange Ratio” for pre-Merger equityholders of Candid (excluding shares issued in connection with the Concurrent Financing) means the following ratio (rounded to four decimal places): the quotient obtained by *dividing* (a) the Candid Merger Shares *by* (b) the Candid Outstanding Shares, and the “Concurrent Financing Exchange Ratio” for holders of shares issued in connection with the Concurrent Financing is calculated by *multiplying* the total

amount of Concurrent Financing Merger Shares by the percentage of the Concurrent Financing Proceeds represented by the applicable stockholder's investment in the Concurrent Financing, in each case, as set forth in the Allocation Certificate, for each of the foregoing, in which:

- "Aggregate Valuation" means the sum of (i) the Candid Valuation, plus (ii) the Rallybio Valuation plus (iii) the Concurrent Financing Proceeds.
- "Candid Allocation Percentage" means the Candid Valuation *divided by* the Aggregate Valuation.
- "Candid Merger Shares" the product determined by *multiplying* (a) the Post-Closing Rallybio Shares by (b) the Candid Allocation Percentage.
- "Candid Valuation" means \$750,000,000.
- "Candid Outstanding Shares" means the total number of shares of Candid Capital Stock outstanding immediately prior to the Effective Time (excluding any shares of Candid Common Stock issued in the Concurrent Financing), expressed on a fully-diluted and as-converted to Candid Common Stock basis and using the treasury stock method, but assuming, without limitation or duplication, (i) the exercise of all Candid stock options outstanding as of immediately prior to the Effective Time, and (ii) the issuance of shares of Candid Capital Stock in respect of all other outstanding options, restricted stock awards, restricted stock units, warrants or rights to receive such shares, whether conditional or unconditional and including any outstanding options, warrants, restricted stock awards, restricted stock units or rights triggered by or associated with the consummation of the Merger (but excluding any shares of Candid Capital Stock reserved for issuance other than with respect to outstanding Candid stock options as of immediately prior to the Effective Time).
- "Concurrent Financing Allocation Percentage" means the quotient (rounded to four decimal places) determined by *dividing* (A) the Concurrent Financing Proceeds *by* (B) the Aggregate Valuation.
- "Concurrent Financing Merger Shares" means, subject to Section 1.5(f) of the Merger Agreement, the product determined by *multiplying* (i) the Post-Closing Rallybio Shares *by* (ii) the Concurrent Financing Allocation Percentage.
- "Rallybio Allocation Percentage" means the Rallybio Valuation divided by the Aggregate Valuation.
- "Rallybio Equity Value" means \$10,000,000.
- "Rallybio Outstanding Shares" means, subject to Section 1.5(f) of the Merger Agreement (which addresses, among other things, the possibility to effect the reverse stock split) and the immediately following sentence, the total number of shares of Rallybio Common Stock outstanding immediately prior to the Effective Time, expressed on a fully-diluted basis and using the treasury stock method (and shall include, for the avoidance of doubt, all In the Money Rallybio Options), but assuming, without limitation or duplication, the issuance of shares of Rallybio Common Stock in respect of all Rallybio Stock Awards, Pre-Funded Warrants, and other outstanding options, warrants or rights to receive such shares, in each case, outstanding as of immediately prior to the Effective Time (assuming cashless exercise), whether conditional or unconditional and including any outstanding options, warrants or rights triggered by or associated with the consummation of the Merger (but excluding any shares of Rallybio Common Stock reserved for issuance other than with respect to outstanding Rallybio Stock Awards as of immediately prior to the Effective Time and as set forth above). For the avoidance of doubt, no Out of the Money Rallybio Options shall be included in the total number of shares of Rallybio Common Stock outstanding for purposes of determining the Rallybio Outstanding Shares.
- "Rallybio Target Net Cash" means \$37,500,000.
- "Rallybio Valuation" means (i) if Rallybio Net Cash is greater than Rallybio Target Net Cash, the sum of (w) Rallybio Equity Value plus (x) Rallybio Target Net Cash plus (y) the amount by which Rallybio Net Cash exceeds Rallybio Target Net Cash, (ii) if Rallybio Net Cash is equal to Rallybio Target Net Cash, the sum of (x) Rallybio Equity Value plus (y) Rallybio Target Net Cash, or (iii) if Rallybio Net Cash is less than Rallybio Target Net Cash, the sum of (w) Rallybio Equity Value plus (x) Rallybio Target Net Cash minus (y) the amount by which Rallybio Target Net Cash exceeds Rallybio Net Cash.
- "Post-Closing Rallybio Shares" means the quotient obtained *by dividing* the Rallybio Outstanding Shares by the Rallybio Allocation Percentage.

Calculation of Rallybio Net Cash

Under the Merger Agreement, "Rallybio Net Cash" means, without duplication, (a) Rallybio's cash, currency, and cash equivalents as determined in accordance with GAAP, *minus* (b) Rallybio's accounts payable, accrued expenses (including Rallybio's unpaid transaction expenses, the costs of any tail policy associated with any directors' and officers' insurance policy to be bound at the Closing, lease termination costs, notice payments, fines or other payments to be made by Rallybio in order to terminate any existing agreements to which Rallybio is a party, and any other estimated expenses associated with the wind-down of Rallybio's prior research and development activities at or after the Closing, actual and estimated costs and expenses incurred in connection with the disposition of the Legacy Assets and other bona fide current and long-term liabilities (with any such liabilities, to the extent not required to be set forth in a balance sheet prepared in accordance with GAAP, to be resolved by Rallybio and Candid in good faith), and 40% of all fees and expenses incurred in relation to (i) the printing and filing of this registration statement and proxy statement/prospectus and any amendments and supplements hereto, and (ii) the proxy solicitation firm engaged in connection with Rallybio's stockholders' meeting), *minus* (c) any severance or change-in-control or payments (including associated payroll taxes) that become payable by Rallybio to any director, officer, employee or consultant of Rallybio or any of its subsidiaries or other person in connection with the consummation of the Merger and related transactions.

The final determination of Rallybio Net Cash at Closing is subject to numerous factors, many of which are outside of Rallybio's control. If Rallybio and Candid cannot agree on the amount of Rallybio Net Cash, the amount of Rallybio Net Cash will be determined by an independent auditor of recognized national standing jointly selected by Rallybio and Candid as set forth in the Merger Agreement.

Treatment of Candid Stock Options

Under the terms of the Merger Agreement, each Candid stock option that is outstanding and unexercised immediately prior to the Effective Time under the Candid 2024 Plan, whether or not vested, will be converted into and become an option to purchase shares of Rallybio Common Stock at the Effective Time. Rallybio will assume the Candid 2024 Plan and all such Candid stock options in accordance with the terms of the Candid 2024 Plan and the terms of the stock option agreement by which such option is evidenced.

Accordingly, from and after the Effective Time: (i) each outstanding Candid stock option assumed by Rallybio may be exercised solely for shares of Rallybio Common Stock; (ii) the number of shares of Rallybio Common Stock subject to each outstanding Candid stock option assumed by Rallybio will be determined by multiplying (A) the number of shares of Candid Common Stock that were subject to such Candid stock option, as in effect immediately prior to the Effective Time, by (B) the Exchange Ratio, and rounding the resulting number down to the nearest whole number of shares of Rallybio Common Stock; (iii) the per share exercise price for the Rallybio Common Stock issuable upon exercise of each Candid stock option assumed by Rallybio will be determined by dividing (A) the per share exercise price of such Candid stock option, as in effect immediately prior to the Effective Time, by (B) the Exchange Ratio and rounding the resulting exercise price up to the nearest whole cent; and (iv) any restriction on the exercise of any Candid stock option assumed by Rallybio will continue in full force and effect and the term, exercisability, vesting schedule and any other provisions of such Candid stock option will otherwise remain unchanged; provided, however, that the Rallybio Board or a committee thereof will succeed to the authority and responsibility of the Candid Board or any committee thereof with respect to each Candid stock option assumed by Rallybio.

Directors and Executive Officers of the Combined Company Following the Merger

The Merger Agreement provides that the parties will take all necessary action so that immediately after the Effective Time, the board of directors of the combined company comprises seven members, with each member designated by Candid; provided, that the total number of directors to comprise the board of directors of the combined company immediately after the Effective Time may be changed by Candid at any time prior to the Effective Time by written notice to Rallybio. The parties currently anticipate that Ken Song, M.D., President and Chief Executive Officer of Candid, will serve as the President and Chief Executive Officer of the combined company; Tim Lu, M.D., Ph.D., Chief Medical Officer and Chief Scientific Officer of Candid, will serve as Chief Medical Officer and Chief Scientific Officer of the combined company; Arvind Kush, Chief Financial Officer and Chief Business Officer of Candid, will

serve as Chief Financial Officer and Chief Business Officer of the combined company; and Bernie Huyghe, Ph.D., Chief Technology Officer of Candid, will serve as Chief Technology Officer of the combined company. For more information about the directors and executive officers of the combined company following the Merger, please see the section titled *"Management Following the Merger."*

Conditions to the Completion of the Merger

The obligations of each party to consummate the Contemplated Transactions are subject to the satisfaction or, to the extent permitted by applicable law, the written waiver by each of the parties of the following conditions:

- there must not have been any temporary restraining order, preliminary or permanent injunction or other order preventing the consummation of the Contemplated Transactions issued by any court of competent jurisdiction or other governmental body of competent jurisdiction and that remains in effect, and no law may have made the consummation of the Contemplated Transactions illegal;
- the Rallybio stockholders must have approved (i) the issuance of Rallybio Common Stock or other securities of Rallybio that (a) represent (or are convertible into) more than 20% of the shares of Rallybio Common Stock outstanding immediately prior to the Merger to the holders of Candid Capital Stock and Candid stock options in connection with the Contemplated Transactions pursuant to the Nasdaq rules and (b) result in the change of control of Rallybio resulting from the Merger, in each case pursuant to the Nasdaq rules, (ii) the amendment to Rallybio's amended and restated certificate of incorporation to (a) change the name of Rallybio to "Candid Therapeutics, Inc.", (b) effect the reverse stock split and (c) subject to approval of the Authorized Share Increase Proposal, effect the Authorized Share Increase.
- Candid must have obtained the affirmative vote (or delivered an action by written consent) of the holders of a majority of the outstanding shares of (i) Candid Preferred Stock, voting together as a single class on an as-converted to Candid Common Stock basis (which majority shall include (A) the holders of a majority of the outstanding shares of Candid Series B Preferred Stock, exclusively and as a separate class on an as-converted to Candid Common Stock basis and (B) the holders of a majority of the outstanding shares of Candid Series A Preferred Stock, together as a single class on an as-converted to Candid Common Stock basis), (ii) Candid Common Stock, voting together as a single class, and (iii) Candid Capital Stock, voting as a single class on an as converted to Candid Common Stock basis (collectively, the Required Candid Stockholder Vote): (a) adopting and approving the Merger Agreement and the Contemplated Transactions, (b) acknowledging that the approval given thereby is irrevocable and that such stockholder is aware of its rights to demand appraisal for its shares of Candid Capital Stock pursuant to Section 262 of the DGCL, a true and correct copy of which will be attached thereto, and that such stockholder has received and read a copy of Section 262 of the DGCL, and (c) acknowledging that by its approval of the Merger it is not entitled to appraisal rights with respect to its shares of Candid Capital Stock in connection with the Merger and thereby waives any rights to receive payment of the fair value of its shares of Candid Capital Stock under the DGCL, and such Required Candid Stockholder Vote must remain in full force and effect and must not have been revoked;
- the Rallybio charter amendment must have been duly filed with the Secretary of State of the State of Delaware;
- the existing shares of Rallybio Common Stock must have been continually listed on Nasdaq as of and from the date of the Merger Agreement through the Closing Date and the shares of Rallybio Common Stock to be issued in the Merger pursuant to the Merger Agreement must have been approved for listing (subject to official notice of issuance) on Nasdaq as of the Closing;
- the Subscription Agreement must have been in full force and effect and cash proceeds of not less than \$200 million shall have been received by Candid, or will be received by Candid substantially simultaneously with the Closing, in connection with the consummation of the transactions contemplated by the Subscription Agreement;
- this registration statement must have become effective in accordance with the Securities Act and must not be subject to any stop order or proceeding (or threatened proceeding by the SEC) seeking a stop order with respect to this registration statement that has not been withdrawn; and
- Rallybio Net Cash must have been finally determined in accordance with the Merger Agreement.

- all waiting periods (and extensions thereof) applicable to the Merger under the HSR Act must have expired or otherwise been terminated.

In addition, the obligation of Rallybio and Merger Sub to consummate the Merger is further subject to the satisfaction or waiver of the following conditions:

- the representations and warranties of Candid set forth in the Merger Agreement under clause (y) of Section 2.8 (i.e., the absence of any Candid Material Adverse Effect between September 30, 2025 and the date of the Merger Agreement) must have been true and correct in all respects as of the date of the Merger Agreement and must be true and correct as of the Closing Date with the same force and effect as if made on and as of such date;
- the representations and warranties of Candid set forth in the Merger Agreement under Sections 2.1(a) (*Organization, Standing and Power*), 2.2 (*Capital Stock*), 2.3 (*Subsidiaries*), 2.4 (*Authority*) and 2.24 (*Brokers*) must have been true and correct in all material respects as of the date of the Merger Agreement and must be true and correct in all material respects on and as of the Closing Date with the same force and effect as if made on and as of such date (except to the extent such representations and warranties are specifically made as of a particular date, in which case such representations and warranties must have been true and correct in all material respects as of such date);
- all other representations and warranties of Candid set forth in the Merger Agreement must have been true and correct as of the date of the Merger Agreement and must be true and correct on and as of the Closing Date with the same force and effect as if made on and as of the Closing Date, except (a) in each case, or in the aggregate, where the failure to be so true and correct would not reasonably be expected to have a Candid Material Adverse Effect (as defined below) (without giving effect to any references therein to any Candid Material Adverse Effect or other materiality qualifications) or (b) for those representations and warranties which address matters only as of a particular date (which representations must have been true and correct, subject to the qualifications set forth in the preceding clause (a), as of such particular date);
- Candid must have performed or complied with in all material respects all agreements and covenants required to be performed or complied with by it under the Merger Agreement at or prior to the Effective Time;
- Rallybio must have received from Candid (i) an officer's certificate certifying (x) that certain conditions set forth in the Merger Agreement have been duly satisfied and (y) that the information set forth in an allocation certificate delivered by Candid containing information regarding Candid's capitalization is true and accurate in all respects; and (ii) a copy of such allocation certificate;
- Rallybio must have received (i) an original signed statement from Candid that Candid is not, and has not been at any time during the applicable period specified in Section 897(c)(1)(A)(ii) of the Code, a "United States real property holding corporation," as defined in Section 897(c)(2) of the Code, conforming to the requirements of Treasury Regulations Section 1.1445-2(c)(3) and 1.897-2(h), and (ii) an original signed notice from Candid to be delivered to the IRS in accordance with the provisions of Treasury Regulations Section 1.897-2(h)(2), together with written authorization for Rallybio to deliver such notice to the IRS on behalf of Candid following the Closing, each dated as of the Closing Date, duly executed by an authorized officer of Candid, and in form and substance reasonably acceptable to Rallybio;
- since the date of the Merger Agreement, there must not have occurred and be continuing any Effect that, considered together with all other Effects, has or would reasonably be expected to have a material adverse effect on the business, condition (financial or otherwise), assets, liabilities or results of operations of Candid, taken as a whole (a "Candid Material Adverse Effect"); *provided, however*, that any effects arising or resulting from the following will not be taken into account in determining whether there has been a Candid Material Adverse Effect: (a) general business, political, or economic conditions generally affecting the industry in which Candid operates, including with respect to the imposition of, or adjustments to, tariffs or other trade restrictions; (b) acts of war, the outbreak or escalation of armed hostilities, acts of terrorism, earthquakes, wildfires, hurricanes or other natural disasters, health emergencies, including pandemics and related or associated epidemics, disease outbreaks or quarantine restrictions; (c) changes in financial, banking or securities markets; (d) any change in, or any compliance with or action taken for the purpose of complying with, any law or GAAP (or interpretations of any law or GAAP); (e) the announcement of the

Merger Agreement or the pendency of the Contemplated Transactions; (f) resulting from the taking of any action expressly required to be taken by the Merger Agreement; or (g) continued losses from operations or decreases in cash balances of Candid; except, with respect to clauses (a) through (d), to the extent such Effect disproportionately affects Candid, taken as a whole, relative to other similarly situated companies in the industries in which Candid operates, in which case, such Effect shall be taken into account to the extent of such disproportionate effect on Candid;

- certain of Candid's investor agreements must have been terminated (or will be terminated as of the Closing); and
- Rallybio must have received duly executed copies of the required Lock-Up Agreements from certain stockholders of Candid and each executive officer and director of Candid who is elected or appointed, as applicable, as an executive officer or director of Rallybio as of immediately following the Closing, each of which must be in full force and effect as of the Closing.

In addition, the obligation of Candid to consummate the Merger is further subject to the satisfaction or waiver of the following conditions:

- the representations and warranties of Rallybio set forth in the Merger Agreement under clause (y) of Section 3.8 (i.e., the absence of any Rallybio Material Adverse Effect between September 30, 2025 and the date of the Merger Agreement) must have been true and correct in all respects as of the date of the Merger Agreement and must be true and correct as of the Closing Date with the same force and effect as if made on and as of such date; and
- the representations and warranties of Rallybio set forth in the Merger Agreement under Sections 3.1(a) (*Organization, Standing and Power*), 3.2(a) and (b) (*Capital Stock*), 3.4 (*Authority*) and 3.22 (*Brokers*) must have been true and correct in all material respects as of the date of the Merger Agreement and must be true and correct in all material respects on and as of the Closing with the same force and effect as if made on and as of such date (except to the extent such representations and warranties are specifically made as of a particular date, in which case such representations and warranties must have been true and correct in all material respects as of such date).
- All other representations and warranties of Rallybio set forth in the Merger Agreement must have been true and correct as of the date of the Merger Agreement and must be true and correct on and as of the Closing with the same force and effect as if made on and as of the Closing Date, except (a) in each case, or in the aggregate, where the failure to be so true and correct would not reasonably be expected to have an Rallybio Material Adverse Effect (as defined below) (without giving effect to any references therein to any Rallybio Material Adverse Effect or other materiality qualifications) or (b) for those representations and warranties which address matters only as of a particular date (which representations must have been true and correct, subject to the qualifications set forth in the preceding clause (a), as of such particular date);
- Rallybio and Merger Sub must have performed or complied with in all material respects all of their agreements and covenants required to be performed or complied with by each of them under the Merger Agreement at or prior to the Effective Time;
- Candid must have received from Rallybio (i) an officer's certificate confirming that certain conditions of the Merger Agreement have been duly satisfied; (ii) a certificate containing information regarding Rallybio's capitalization; (iii) the Rallybio closing financial certificate certifying Rallybio Net Cash as of the Anticipated Closing Date (as defined in the Merger Agreement), a draft of which must have been provided at least five business days prior to Closing, which certificate will be accompanied by such supporting documentation, information and calculations as are reasonably requested by Candid to verify and determine the information contained therein; (iv) a written resignation executed by the directors of Rallybio who will not continue as directors of Rallybio after the Closing; and (v) the executed CVR Agreement;
- since the date of the Merger Agreement, there must not have occurred and be continuing any effect that, considered together with all other effects, has or would reasonably be expected to have a material adverse effect on the business, condition (financial or otherwise), assets, liabilities or results of operations of Rallybio or its subsidiaries, taken as a whole (a "Rallybio Material Adverse Effect"); provided, however, that any effects arising or resulting from the following will not be taken into account in determining whether

there has been a Rallybio Material Adverse Effect: (a) general business, political or economic conditions generally affecting the industry in which Rallybio or any of its subsidiaries operate, including with respect to the imposition of, or adjustments to, tariffs or other trade restrictions; (b) acts of war, the outbreak or escalation of armed hostilities, acts of terrorism, earthquakes, wildfires, hurricanes or other natural disasters, health emergencies, including pandemics and related or associated epidemics, disease outbreaks or quarantine restrictions; (c) changes in financial, banking or securities markets; (d) any change in, or any compliance with or action taken for the purpose of complying with, any law or GAAP (or interpretations of any law or GAAP); (e) any change in the stock price or trading volume of Rallybio Common Stock (it being understood, however, that any Effect causing or contributing to any change in stock price or trading volume of Rallybio Common Stock may be taken into account in determining whether a Rallybio Material Adverse Effect has occurred, unless such Effects are otherwise excepted from this definition); (f) the failure of Rallybio to meet internal or analysts' expectations or projections or the results of operations of Rallybio (it being understood, however, that any Effect causing or contributing to the failure of Rallybio to meet internal or analysts' expectations or projections or the results of operations of Rallybio may be taken into account in determining whether a Rallybio Material Adverse Effect has occurred, unless such Effects are otherwise excepted from this definition); (g) any changes in or affecting clinical trial programs or studies conducted by or on behalf of Rallybio or its subsidiaries, including any adverse data, event or outcome arising out of or related to any such programs or studies; (h) the announcement of the Merger Agreement or the pendency of the Contemplated Transactions; (i) the Asset Dispositions; (j) any reduction in the amount of Rallybio's cash and cash equivalents as a result of expenditures made by Rallybio related to wind down activities of Rallybio associated with the termination of its research and development activities (including the termination of ongoing contractual obligations relating to Rallybio current products or product candidates); or (k) the taking of any action expressly required to be taken by the Merger Agreement; except, with respect to clauses (a) through (d), to the extent disproportionately affecting Rallybio and its subsidiaries, taken as a whole, relative to other similarly situated companies in the industries in which Rallybio and its subsidiaries operate, in which case, such Effect will be taken into account to the extent of such disproportionate effect on Rallybio and its subsidiaries; and

- Rallybio Net Cash at Closing (as determined in accordance with the Merger Agreement) must have been greater than or equal to \$0, and Rallybio's cash and cash equivalents as of the Closing Date (as determined in accordance with the Merger Agreement) must be greater than or equal to \$1.0 million.

Asset Dispositions

Prior to Closing, Rallybio will use reasonable best efforts to sell, transfer, license, assign or otherwise divest its intellectual property and other assets and technology in existence on the date of the Merger Agreement (the "Potentially Transferable Assets") to one or more third parties in one or a series of transactions immediately following the Closing (the "Asset Dispositions"). Rallybio may, in contemplation of the Asset Dispositions, (a) establish one or more subsidiaries to hold the Potentially Transferable Assets, (b) transfer to any such subsidiary any or all of the Potentially Transferable Assets and the liabilities and obligations related thereto and (c) take such other steps that are reasonably necessary to prepare for the Asset Dispositions. If Rallybio transfers the Potentially Transferable Assets to one or more subsidiaries, the subsidiaries shall be subject to the same terms as Rallybio. Notwithstanding the foregoing, any such Asset Disposition shall require, to the extent consistent with applicable laws, the prior written consent of Candid (not to be unreasonably withheld, conditioned or delayed) if such Asset Disposition would create any post-disposition liabilities or indemnity obligations for Rallybio following the Closing; *provided, however*, that the prior written consent of Candid shall not be required in connection with any Asset Disposition if Rallybio agrees that the maximum aggregate dollar value of any post-disposition liabilities or indemnity obligation shall be considered as a reduction to Rallybio Net Cash as set forth in the Merger Agreement.

Representations and Warranties

The Merger Agreement contains customary representations and warranties of the parties. Candid represents and warrants to the following matters:

- Organization, Standing and Power
- Capital Stock

- Subsidiaries
- Authority
- No Conflict; Consents and Approvals
- Financial Statements
- No Undisclosed Liabilities
- Absence of Certain Changes or Events
- Litigation
- Compliance with Laws
- Health Care Regulatory Matters
- Benefit Plans
- Labor and Employment Matters
- Environmental Matters
- Taxes
- Contracts
- Insurance
- Properties
- Intellectual Property
- State Takeover Statutes
- No Rights Plan
- Related Party Transactions
- Certain Payments
- Brokers
- Concurrent Financing Compliance
- No Other Representations or Warranties

Rallybio and Merger Sub represent and warrant to the following matters:

- Organization, Standing and Power
- Capital Stock
- Subsidiaries
- Authority
- No Conflict; Consents and Approvals
- SEC Reports; Financial Statements
- No Undisclosed Liabilities
- Absence of Certain Changes or Events
- Litigation
- Compliance with Laws
- Health Care Regulatory Matters
- Benefit Plans
- Labor and Employment Matters
- Environmental Matters
- Taxes
- Contracts
- Insurance
- Properties
- Intellectual Property
- Related Party Transactions

- Certain Payments
- Brokers
- Opinion of Financial Advisor
- Merger Sub
- State Takeover Statutes
- No Other Representations or Warranties

The representations and warranties of Candid, Rallybio and Merger Sub contained in the Merger Agreement or any certificate or instrument delivered pursuant to the Merger Agreement will terminate at the Effective Time.

Non-Solicitation

Capitalized terms in this section are as defined in the section titled "*The Merger Agreement—Non-Solicitation*."

Rallybio Non-Solicitation

Rallybio and its subsidiaries and their respective representatives are prohibited by the terms of the Merger Agreement, other than with respect to any Asset Disposition, from, directly or indirectly, (i) soliciting, initiating or knowingly encouraging, inducing or facilitating the communication, making, submission or announcement of any Acquisition Proposal (as defined below) or Acquisition Inquiry (as defined below) or taking any action that could reasonably be expected to lead to an Acquisition Proposal or Acquisition Inquiry; (ii) furnishing any non-public information regarding Rallybio or any of its subsidiaries to any person in connection with or in response to an Acquisition Proposal or Acquisition Inquiry; (iii) engaging in discussions (other than to inform any person of the existence of these prohibitions) or negotiations with any person with respect to any Acquisition Proposal or Acquisition Inquiry; (iv) approving, endorsing or recommending any Acquisition Proposal; (v) executing or entering into any letter of intent or any contract contemplating or otherwise relating to any Acquisition Transaction (as defined below) (other than a confidentiality agreement permitted as described below); or (vi) publicly proposing to do any of the foregoing; *provided, however*, that, notwithstanding the foregoing, subject to compliance with the non-solicitation obligations set forth in Section 4.4 of the Merger Agreement, and prior to obtaining the Required Rallybio Stockholder Vote, Rallybio and its subsidiaries may furnish non-public information regarding Rallybio or any of its subsidiaries to, and enter into discussions or negotiations with, any person in response to a bona fide Acquisition Proposal by such person, which the Rallybio Board has determined in good faith, after consultation with the Rallybio's outside financial advisors and outside legal counsel, constitutes, or is reasonably likely to result in, a Superior Offer (and is not withdrawn) if: (A) none of Rallybio, any of its subsidiaries or any of their respective representatives shall have breached Section 4.4 of the Merger Agreement in any material respect, (B) the Rallybio Board concludes in good faith based on the advice of outside legal counsel, that the failure to take such action would be inconsistent with the fiduciary duties of the Rallybio Board under applicable law; (C) Rallybio receives from such person an executed confidentiality agreement containing provisions, in the aggregate, at least as favorable to Rallybio as those contained in the Confidentiality Agreement; and (D) substantially contemporaneously with furnishing any such non-public information to such person, Rallybio gives Candid notice of Rallybio's intention to furnish nonpublic information to, or enter into discussions with, such person and furnishes such non-public information to Rallybio (to the extent such information has not been previously furnished by Rallybio to Candid).

If Rallybio, any of its subsidiaries or any of their respective representatives, receives an Acquisition Proposal or Acquisition Inquiry during the period following the date of the Merger Agreement through the Closing, then Rallybio will promptly (and in no event later than one business day after Rallybio becomes aware of such Acquisition Proposal or Acquisition Inquiry) (i) advise Candid orally and in writing of such Acquisition Proposal or Acquisition Inquiry (including the identity of the person making or submitting such Acquisition Proposal or Acquisition Inquiry), (ii) in the case of a written Acquisition Proposal or Acquisition Inquiry, furnish any written documentation and correspondence to or from Rallybio or any of its subsidiaries or any of their respective representatives, including any subsequent modifications or amendments, and (iii) in the case of an oral Acquisition Proposal or Acquisition Inquiry, provide a written summary of the terms thereof. Rallybio will keep Candid reasonably and promptly informed with respect to the status and material terms of any such Acquisition Proposal or Acquisition Inquiry and any material modification, amendment or proposed material modification thereto (including any revision in the amount, form or mix of consideration) and of all verbal or written communications related thereto, together with copies of new written

documentation and correspondence to or from Rallybio, any of its subsidiaries or any of their respective representatives as well as written summaries of any material oral communications.

Pursuant to the terms of the Merger Agreement, Rallybio agreed to immediately cease and cause to be terminated any existing discussions, negotiations and communications with any person relating to any Acquisition Proposal or Acquisition Inquiry (other than any Asset Dispositions) as of the date of the Merger Agreement, immediately terminate access to any non-public information provided to such person via an electronic or physical data room and within three business days after the date of the Merger Agreement, request the destruction or return of any of such party's nonpublic information provided to such person as soon as practicable after the date of the Merger Agreement.

Candid Non-Solicitation

Candid and its subsidiaries and their respective representatives are prohibited by the terms of the Merger Agreement from, directly or indirectly, (i) soliciting, initiating or knowingly encouraging, inducing or facilitating the communication, making, submission or announcement of any Acquisition Proposal (as defined below) or Acquisition Inquiry (as defined below) or taking any action that could reasonably be expected to lead to an Acquisition Proposal or Acquisition Inquiry; (ii) furnishing any non-public information regarding Candid or any of its subsidiaries to any person in connection with or in response to an Acquisition Proposal or Acquisition Inquiry; (iii) engaging in discussions (other than to inform any person of the existence of these prohibitions) or negotiations with any person with respect to any Acquisition Proposal or Acquisition Inquiry; (iv) approving, endorsing or recommending any Acquisition Proposal; (v) executing or entering into any letter of intent or any contract contemplating or otherwise relating to any Acquisition Transaction; or (vi) publicly proposing to do any of the foregoing; *provided, however*, that, notwithstanding the foregoing, subject to compliance with the non-solicitation obligations set forth in Section 4.5 of the Merger Agreement, and prior to obtaining the Required Candid Stockholder Vote, Candid and its subsidiaries may solicit any Acquisition Proposal and furnish non-public information regarding Candid or any of its subsidiaries to, and enter into discussions or negotiations with, any person, including any person not making such Acquisition Proposal, following receipt of a bona fide Acquisition Proposal by any person, which the Candid Board has determined in good faith, after consultation with the Candid's outside financial advisors and outside legal counsel, constitutes, or is reasonably likely to result in, a Superior Offer if: (A) none of Candid, any of its subsidiaries or any of their respective Representatives shall have breached Section 4.5 of the Merger Agreement in any material respect, (B) the Candid Board concludes in good faith based on the advice of outside legal counsel, that the failure to take such action would be inconsistent with the fiduciary duties of the Candid Board under applicable law; and (C) Candid receives from such person an executed confidentiality agreement containing provisions, in the aggregate, at least as favorable to Candid as those contained in the Confidentiality Agreement.

If Candid, any of its subsidiaries or any of their respective representatives, receives an Acquisition Proposal during the period following the date of the Merger Agreement through the Closing, then Candid will promptly (and in no event later than one business day after Candid becomes aware of such Acquisition Proposal) (i) advise Rallybio orally and in writing of such Acquisition Proposal (including the identity of the person making or submitting such Acquisition Proposal), (ii) in the case of a written Acquisition Proposal, furnish any written documentation and correspondence to or from Candid, any of its subsidiaries or any of their respective representatives, including any subsequent modifications or amendments, and (iii) in the case of an oral Acquisition Proposal, provide a written summary of the terms thereof. Candid will keep Rallybio reasonably and promptly informed with respect to the status and material terms of any such Acquisition Proposal and any material modification, amendment or proposed material modification thereto (including any revision in the amount, form or mix of consideration) and of all verbal or written communications related thereto, together with copies of new written documentation and correspondence to or from Candid or any of its subsidiaries or any of their respective representatives as well as written summaries of any material oral communications).

Pursuant to the terms of the Merger Agreement, Candid agreed to immediately cease any existing discussions, negotiations and communications with any person that relate to any Acquisition Proposal or Acquisition Inquiry that has not already been terminated as of the date of the Merger Agreement, immediately terminate access to any non-public information of Candid provided to such person via an electronic or physical data room.

"Acquisition Inquiry" means, with respect to a party, an inquiry, indication of interest or request for information (other than an inquiry, indication of interest or request for information made or submitted by Candid or any of its

affiliates, on the one hand, or Rallybio or any of its affiliates, on the other hand, to the other party) that could reasonably be expected to lead to an Acquisition Proposal; *provided, however*, that the term “Acquisition Inquiry” shall not include the Merger or the other Contemplated Transactions or any transactions related to the Asset Dispositions or Concurrent Financing.

“Acquisition Proposal” means, with respect to a party, any offer or proposal, whether written or oral (other than an offer or proposal made or submitted by or on behalf of Candid or any of its affiliates, on the one hand, or by or on behalf of Rallybio or any of its affiliates, on the other hand, to the other party) contemplating or otherwise relating to any Acquisition Transaction with such party, other than the Asset Dispositions and the Concurrent Financing.

“Acquisition Transaction” means any transaction or series of related transactions (other than the Asset Dispositions and the Concurrent Financing) involving: any merger, consolidation, amalgamation, share exchange, business combination, issuance of securities, acquisition of securities, reorganization, recapitalization, tender offer, exchange offer or other similar transaction: (i) in which a party is a constituent entity; (ii) in which a person or “group” (as defined in the Exchange Act) of persons directly or indirectly acquires beneficial or record ownership of securities representing more than 20% of the outstanding securities of any class of voting securities of a party or any of its subsidiaries; or (iii) in which a party or any of its subsidiaries issues securities representing more than 20% of the outstanding securities of any class of voting securities of such party or any of its subsidiaries; or (y) any sale, lease, exchange, transfer, license, acquisition or disposition of any business or businesses or assets that constitute or account for 20% or more of the consolidated book value or the fair market value of the assets of a party and its subsidiaries, taken as a whole.

“Superior Offer” means an unsolicited bona fide written Acquisition Proposal (with all references to 20% in the definition of Acquisition Transaction being treated as references to greater than 50% for these purposes) that: (a) was not obtained or made as a result of a breach of (or in violation of) the Merger Agreement; and (b) is on terms and conditions that the Rallybio Board or Candid Board, as applicable, determines in good faith, based on such matters that it deems relevant (including the likelihood of consummation thereof and the financing terms thereof), as well as any written offer by Candid or Rallybio, as applicable, to amend the terms of the Merger Agreement, and following consultation with its outside legal counsel and outside financial advisors, are more favorable, from a financial point of view, to Rallybio’s stockholders or Candid’s stockholders, as applicable, than the terms of the Contemplated Transactions and is not subject to any financing condition (and if financing is required, such financing is then fully committed to the third party).

Rallybio Stockholder Meeting

Promptly after the registration statement has been declared effective by the SEC under the Securities Act, Rallybio will take all action necessary under applicable law to call, give notice of and hold a meeting of the holders of Rallybio Common Stock for the purpose of seeking approval of: (i) the issuance of Rallybio Common Stock or other securities of Rallybio that represent (or are convertible into) more than 20% of the shares of Rallybio Common Stock outstanding immediately prior to the Merger to the holders of Candid Capital Stock and Candid stock options in connection with the Contemplated Transactions and the change of control of Rallybio resulting from the Contemplated Transactions, in each case pursuant to the Nasdaq rules, (ii) the approval of the Rallybio charter amendment to (A) change the name of Rallybio to “Candid Therapeutics, Inc.,” (B) effect the reverse stock split (the matters contemplated by foregoing clauses (i) and (ii)), (the “Rallybio Stockholder Matters”) and (iii) effect an increase of the number of authorized shares of Rallybio Common Stock to a number determined by Candid (the “Authorized Share Increase Proposal”), (iv) the combined company’s 2026 Equity Incentive Plan, (v) the combined company’s 2026 Employee Stock Purchase Plan and (vi) any other proposals the parties deem necessary to consummate the Contemplated Transactions.

The Rallybio stockholders’ meeting will be held as promptly as practicable after the registration statement is declared effective under the Securities Act and, in any event, no later than forty-five calendar days after the effective date of the registration statement. Rallybio will take reasonable measures to ensure that all proxies solicited in connection with the Rallybio stockholders’ meeting are solicited in compliance with all applicable laws. If, on or before the date of the Rallybio stockholders’ meeting, Rallybio reasonably believes that it (i) will not receive proxies sufficient to obtain the required approvals of the Required Rallybio Closing Stockholder Matters (the “Required

Rallybio Stockholder Vote”) or the approval of the Authorized Share Increase Proposal, whether or not a quorum would be present or (ii) will not have sufficient shares of Rallybio Common Stock represented (whether in person or by proxy) to constitute a quorum necessary to conduct the business of the Rallybio stockholders’ meeting, Rallybio may postpone or adjourn, or make one or more successive postponements or adjournments of, the Rallybio stockholders’ meeting as long as the date of the Rallybio stockholders’ meeting is not postponed or adjourned more than an aggregate of thirty calendar days in connection with any postponements or adjournments.

Rallybio agreed that, subject to certain exceptions in the Merger Agreement: (i) the Rallybio Board will recommend that the holders of Rallybio Common Stock vote to approve the Rallybio Stockholder Matters, the Authorized Share Increase Proposal, and the Equity Plan Proposals will use commercially reasonable efforts to solicit such approval within the timeframe set forth above, (ii) this proxy statement/prospectus will include a statement to the effect that the Rallybio Board recommends that Rallybio’s stockholders vote to approve the Rallybio Stockholder Matters, the Authorized Share Increase Proposal, and the Equity Plan Proposals (the recommendation of the Rallybio Board with respect to the Rallybio Stockholder Matters being referred to as the “Rallybio Board Recommendation”); (iii) the Rallybio Board Recommendation will not be withheld, amended, withdrawn or modified (and the Rallybio Board will not publicly propose to withhold, amend, withdraw or modify the Rallybio Board Recommendation), and no resolution by the Rallybio Board or any committee thereof to withdraw or modify the Rallybio Board Recommendation or to adopt, approve or recommend (or publicly propose to adopt, approve or recommend) any Acquisition Proposal shall be adopted or proposed; and (iv) the Rallybio Board will not publicly announce an intention or resolution to effect any of the foregoing (the actions set forth in the foregoing clause (iii), collectively, a “Rallybio Board Adverse Recommendation Change”).

The terms of the Merger Agreement provide that, subject to the limitations set forth in the Merger Agreement, if at any time prior to the approval of the Rallybio Stockholder Matters at the Rallybio stockholder meeting by the Required Rallybio Stockholder Vote, Rallybio receives a *bona fide* Acquisition Proposal (which did not arise out of a material breach of the non-solicitation provisions of the Merger Agreement) from any person that has not been withdrawn and after consultation with outside legal counsel, the Rallybio Board determines, in good faith, that such Acquisition Proposal is a Superior Offer, the Rallybio Board may make a Rallybio Board Adverse Recommendation Change if and only if: (A) the Rallybio Board determines in good faith, after consultation with Rallybio’s outside legal counsel and financial advisor, that the failure to do so would be inconsistent with the fiduciary duties of the Rallybio Board to Rallybio’s stockholders under applicable law; (B) Rallybio has given Candid prior written notice of its intention to consider making a Rallybio Board Adverse Recommendation Change at least four business days prior to making any such Rallybio Board Adverse Recommendation Change (a “Rallybio Determination Notice,” and such period, the “Rallybio Notice Period”) (which notice will not constitute a Rallybio Board Adverse Recommendation Change); and (C)(1) Rallybio provided to Candid a description in reasonable detail of the reasons for such Rallybio Board Adverse Recommendation Change (as defined in the Merger Agreement), the identity of the party making the Acquisition Proposal, a summary of the material terms and conditions of the Acquisition Proposal and written copies of any relevant proposed transaction documents (including with respect to financing arrangements) in accordance with the Merger Agreement, (2) Rallybio has given Candid the three business days after a Rallybio Determination Notice to propose revisions to the terms of the Merger Agreement or make another proposal and has made its representatives reasonably available to negotiate in good faith with Candid (to the extent Candid desires to negotiate) with respect to such proposed revisions or other proposal, if any, and (3) after considering the results of any such negotiations and giving effect to the proposals made by Candid, if any, after consultation with outside legal counsel, the Rallybio Board determines, in good faith, that such Acquisition Proposal is a Superior Offer and that the failure to make the Rallybio Board Adverse Recommendation Change would be inconsistent with the fiduciary duties of the Rallybio Board to Rallybio’s stockholders under applicable law; provided that during any Rallybio Notice Period, Candid shall be entitled to deliver to Rallybio one or more counterproposals to such Acquisition Proposal and Rallybio will, and will cause its representatives to, negotiate with Candid in good faith (to the extent Candid desires to negotiate) to enable Candid to propose in writing an offer binding on Candid to effect such adjustments to the terms and conditions of the Merger Agreement so that the applicable Acquisition Proposal ceases to constitute a Superior Offer. The provisions of the Merger Agreement described in this paragraph also apply to any material change to the facts and circumstances relating to such Acquisition Proposal or any amendment to such Acquisition Proposal (including any revision in the

amount, form or mix of consideration), and require a new Rallybio Determination Notice and Rallybio will be required to provide Candid with notice of such material change or amendment, except that the references to four business days will be deemed to be two business days.

The terms of the Merger Agreement also provide that, other than in connection with an Acquisition Proposal, the Rallybio Board may make a Rallybio Board Adverse Recommendation Change in response to a Rallybio Change in Circumstance (as defined below), if and only if: (A) the Rallybio Board determines in good faith, after consultation with the Rallybio's outside legal counsel, that the failure to do so would be inconsistent with the fiduciary duties of the Rallybio Board to Rallybio's stockholders under applicable law; (B) Rallybio has given Candid a Rallybio Determination Notice at least four business days prior to making any such Rallybio Board Adverse Recommendation Change; and (C) (1) Rallybio has specified the Rallybio Change in Circumstance in reasonable detail, including the material facts and circumstances related to the applicable Rallybio Change in Circumstance, (2) Rallybio has given Candid three business days after the Rallybio Determination Notice to propose revisions to the terms of the Merger Agreement or make another proposal, and has made its representatives reasonably available to negotiate in good faith with Candid (to the extent Candid desires to do so) with respect to such proposed revisions or other proposal, if any, and (3) after considering the results of any such negotiations and giving effect to the proposals made by Candid, if any, after consultation with outside legal counsel, the Rallybio Board determines, in good faith, that the failure to make the Rallybio Board Adverse Recommendation Change in response to such Rallybio Change in Circumstance would be inconsistent with the fiduciary duties of the Rallybio Board to Rallybio's stockholders under applicable law. The provisions of the Merger Agreement described in this paragraph also apply to any material change to the facts and circumstances relating to such Rallybio Change in Circumstance and require a new Rallybio Determination Notice and Rallybio will be required to provide Candid with notice of such material change, except that the references to four business days will be deemed to be two business days.

"Rallybio Change in Circumstance" means a change in circumstances (other than any such event, development or change to the extent related to (A) any Acquisition Proposal, Acquisition Inquiry or the consequences thereof, or (B) the fact, in and of itself, that Rallybio meets or exceeds internal budgets, plans or forecasts of its revenues, earnings or other financial performance or results of operations) that affects the business, assets or operations of Rallybio or any of its subsidiaries that occurs or arises after the date of the Merger Agreement.

Candid Stockholder Action by Written Consent

The Merger Agreement contemplates that promptly after this registration statement is declared effective under the Securities Act, and in any event no later than three business days thereafter, Candid will prepare, with the cooperation of Rallybio, and cause to be delivered to its stockholders an information statement to solicit the approval by written consent from the Candid Signatories, including Candid's stockholders sufficient for the Required Candid Stockholder Vote in lieu of a meeting pursuant to Section 228 of the DGCL, for purposes of approving the Candid Stockholder Matters.

Candid agreed that: (i) the Candid Board will recommend that the Candid stockholders vote to approve the Candid Stockholder Matters and will use reasonable best efforts to solicit such approval from Candid's stockholders within the timeframe set forth above (the recommendation of the Candid Board that Candid's stockholders vote to adopt and approve the Candid Stockholder Matters being referred to as the "Candid Board Recommendation"); and (ii) the Candid Board Recommendation will not be withdrawn or modified (and the Candid Board will not publicly propose to withdraw or modify the Candid Board Recommendation), and no resolution by the Candid Board or any committee thereof to withdraw or modify the Candid Board Recommendation or to adopt, approve or recommend (or publicly propose to adopt, approve or recommend) any Acquisition Proposal will be adopted or proposed (the actions set forth in the foregoing clause (ii), if taken, constituting, in each case, a "Candid Board Adverse Recommendation Change").

Notwithstanding the foregoing, if at any time prior to the approval of Candid Stockholder Matters:

- If Candid has received a bona fide Acquisition Proposal (which Acquisition Proposal did not arise out of a material breach of Section 4.5 of the Merger Agreement) from any person that has not been withdrawn and after consultation with outside legal counsel, Candid Board shall have determined, in good faith, that such

Acquisition Proposal is a Superior Offer, Candid Board may make a Candid Board Adverse Recommendation Change if and only if: (A) Candid Board determines in good faith, after consultation with Candid's outside legal counsel and financial advisor, that the failure to do so would be inconsistent with the fiduciary duties of Candid Board to Candid's stockholders under applicable law; (B) Candid shall have given Rallybio prior written notice of its intention to consider making a Candid Board Adverse Recommendation Change at least four Business Days prior to making any such Candid Board Adverse Recommendation Change (a "Candid Determination Notice"; and such period the "Candid Notice Period") (which notice shall not constitute a Candid Board Adverse Recommendation Change); and (C) (1) Candid shall have provided to Rallybio a description in reasonable detail of the reasons for such Candid Board Adverse Recommendation Change the identity of the party making the Acquisition Proposal, a summary of the material terms and conditions of the Acquisition Proposal and written copies of any relevant proposed transaction documents (including with respect to financing arrangements), in accordance with Section 4.5(b), (2) Candid shall have given Rallybio the three business days after Candid Determination Notice to propose revisions to the terms of the Merger Agreement or make another proposal and shall have made its representatives reasonably available to negotiate in good faith with Rallybio (to the extent Rallybio desires to negotiate) with respect to such proposed revisions or other proposal, if any, and (3) after considering the results of any such negotiations and giving effect to the proposals made by Rallybio, if any, after consultation with outside legal counsel, Candid Board shall have determined, in good faith, that such Acquisition Proposal is a Superior Offer and that the failure to make Candid Board Adverse Recommendation Change would be inconsistent with the fiduciary duties of Candid Board to Candid's stockholders under applicable law; provided during any Candid Notice Period, Rallybio shall be entitled to deliver to Candid one or more counterproposals to such Acquisition Proposal and Candid will, and cause its representatives to, negotiate with Rallybio in good faith (to the extent Rallybio desires to negotiate) to enable Rallybio to propose in writing an offer binding on Rallybio to effect such adjustments to the terms and conditions of the Merger Agreement so that the applicable Acquisition Proposal ceases to constitute a Superior Offer. For the avoidance of doubt, the provisions of this Section 5.2(e)(i) shall also apply to any material change to the facts and circumstances relating to such Acquisition Proposal or any amendment to such Acquisition Proposal (including any revision in the amount, form or mix of consideration), and require a new Candid Determination Notice and Candid shall be required to provide Rallybio with notice of such material change or amendment, except that the references to four business days shall be deemed to be two business days.

- Other than in connection with an Acquisition Proposal, Candid Board may make a Candid Board Adverse Recommendation Change in response to a Candid Change in Circumstance, if and only if: (A) Candid Board determines in good faith, after consultation with Candid's outside legal counsel, that the failure to do so would be inconsistent with the fiduciary duties of Candid Board to Candid's stockholders under applicable law; (B) Candid shall have given Rallybio a Candid Determination Notice at least four business days prior to making any such Candid Board Adverse Recommendation Change; and (C) (1) Candid shall have specified Candid Change in Circumstance in reasonable detail, including the material facts and circumstances related to the applicable Candid Change in Circumstance, (2) Candid shall have given Rallybio the three business days after Candid Determination Notice to propose revisions to the terms of the Merger Agreement or make another proposal, and shall have made its representatives reasonably available to negotiate in good faith with Rallybio (to the extent Rallybio desires to do so) with respect to such proposed revisions or other proposal, if any, and (3) after considering the results of any such negotiations and giving effect to the proposals made by Rallybio, if any, after consultation with outside legal counsel, Candid Board shall have determined, in good faith, that the failure to make Candid Board Adverse Recommendation Change in response to such Candid Change in Circumstance would be inconsistent with the fiduciary duties of Candid Board to Candid's stockholders under applicable law. For the avoidance of doubt, the provisions of this 5.2(e)(ii) shall also apply to any material change to the facts and circumstances relating to such Candid Change in Circumstance, and require a new Candid Determination Notice and Candid shall be required to provide Rallybio with notice of such material change, except that the references to four business days shall be deemed to be two Business Days.

Unless the Merger Agreement is otherwise terminated pursuant to [Section 9.1](#) of the Merger Agreement, Candid's obligation to solicit the consent of its stockholders to sign Candid Stockholder Written Consent shall not be limited

or otherwise affected by the commencement, disclosure, announcement or submission of any Superior Offer or other Acquisition Proposal or by any Candid Board Adverse Recommendation Change.

Appraisal Rights

Under the DGCL, Rallybio stockholders are not entitled to appraisal rights in connection with the Merger.

Candid stockholders are entitled to statutory appraisal rights in connection with the Merger under Section 262 of the DGCL.

Covenants; Operation of Business Pending the Merger

Operation of Rallybio's Business

During the period from the date of the Merger Agreement and continuing until the earlier of the termination of the Merger Agreement or the Effective Time, except (i) as set forth in Rallybio's disclosure schedule, (ii) expressly permitted or required in accordance with the Merger Agreement including in connection with the Asset Dispositions, (iii) as required by applicable law, or (iv) as may be consented to in writing by Candid (not be unreasonably withheld, conditioned or delayed), each of Rallybio and its subsidiaries has agreed to (A) conduct its business and operations in the ordinary course of business (which includes actions required to effect the Asset Dispositions or effect the winding down of Rallybio's pre-clinical, CMC and clinical activities) and in compliance in all material respects with all applicable laws and the requirements of all of its material contracts and (B) continue to pay material outstanding accounts payable and other material current liabilities (including payroll) in the ordinary course of business, and will not:

- declare, accrue, set aside or pay any dividend or make any other distribution in respect of any shares of its capital stock or repurchase, redeem or otherwise reacquire any shares of its capital stock or other securities (except repurchases from terminated employees, directors or consultants of Rallybio or in connection with the payment of the exercise price and/or withholding taxes incurred upon the exercise, settlement or vesting of any award or purchase rights granted under any Rallybio equity incentive plan in accordance with the terms of such award in effect on the date of the Merger Agreement);
- sell, issue, grant, pledge or otherwise dispose of or encumber or authorize any of the foregoing with respect to: (A) any capital stock or other security of Rallybio or any of its subsidiaries (except for Rallybio Common Stock issued upon the valid exercise or settlement of Rallybio Stock Awards); (B) any option, warrant or right to acquire any capital stock or any other security; or (C) any instrument convertible into or exchangeable for any capital stock or other security of Rallybio or any of its subsidiaries;
- amend the terms of any outstanding Rallybio options;
- except as required to give effect to anything in contemplation of Closing, amend any of its or its subsidiaries' certificate of incorporation and bylaws (or comparable organizational documents), or effect or be a party to any merger, consolidation, share exchange, business combination, recapitalization, reclassification of shares, stock split, reverse stock split or similar transaction except, for the avoidance of doubt, the Contemplated Transactions;
- form any subsidiary or acquire any equity interest or other interest in any other entity or enter into a joint venture with any other entity;
- (A) lend money to any person (except for the advancement of reasonable and customary expenses to employees, directors and consultants in the Ordinary Course of Business), (B) incur or guarantee any indebtedness for borrowed money, (C) guarantee any debt securities of others, (D) other than the incurrence or payment of Transaction Expenses (as defined in "*The Merger Agreement—Other Agreements—Fees and Expenses*"), make any capital expenditure in excess of \$50,000, or (E) forgive any loans to any persons, including Rallybio's employees, officers, directors or affiliates;
- other than as required by applicable law or the terms of any Rallybio benefit plan as in effect on the date of the Merger Agreement: (A) adopt, terminate, establish or enter into any Rallybio benefit plan; (B) cause or permit any Rallybio benefit plan to be amended; (C) pay any bonus or make any profit-sharing or similar payment to, or increase the amount of the wages, salary, fringe benefits, commissions, bonus, or other compensation or benefits payable to any of its directors, officers, consultants, independent contractors or

employees; (D) hire any officer, employee, consultant or independent contractor; (E) modify the terms of any severance, retention or change of control benefits offered to any current, former or new employees, directors or consultants (other than acceleration of the Rallybio Stock Awards as contemplated by the Merger Agreement); or (F) grant any new, or modify any existing, severance, retention benefits, change in control award, or similar compensation or benefit to any person;

- recognize any labor union or labor organization;
- acquire any material asset or sell, lease or otherwise irrevocably dispose of any of its material assets or properties, or grant any encumbrance with respect to such material assets or properties;
- sell, assign, transfer, license, sublicense or otherwise dispose of any Rallybio owned intellectual property or any Rallybio in-bound license;
- make, change or revoke any material tax election, fail to pay any income or other material tax as such tax becomes due and payable (taking into account extensions of time to file any tax return granted in the Ordinary Course of Business of not more than seven months), file any amendment making any material change to any tax return, settle or compromise any income or other material tax liability or submit any voluntary disclosure application, enter into any tax allocation, sharing, indemnification or other similar agreement or arrangement (other than customary commercial contracts entered into in the ordinary course of business the principal subject matter of which is not taxes), request or consent to any extension or waiver of any limitation period with respect to any claim or assessment for any income or other material taxes (other than pursuant to an extension of time to file any tax return granted in the ordinary course of business of not more than seven months), or adopt or change any material accounting method in respect of taxes;
- enter into, materially amend or terminate any Rallybio material contract or contract that would be deemed a Rallybio material contract if entered into prior to the date of the Merger Agreement;
- other than as required by law or GAAP, take any action to change accounting policies or procedures;
- initiate or settle any legal proceeding;
- (A) fail to maintain any material insurance policies in full force and effect prior to the renewal period of any such material insurance policies or (B) fail to exercise renewal rights for any such material insurance policies following the applicable expiration or acquire substantially similar insurance policies;
- enter into or amend a contract that would reasonably be expected to prevent or materially impede, interfere with, hinder or delay the consummation of the Contemplated Transactions;
- enter into a new line of business or start to conduct a line of business; or
- agree, resolve or commit to do any of the foregoing.

Operation of Candid's Business

During the period from the date of the Merger Agreement and continuing until the earlier of the termination of the Merger Agreement or the Effective Time, except (i) as set forth in Candid's disclosure schedule, (ii) expressly permitted or required in accordance with the Merger Agreement including in connection with the Concurrent Financing, (iii) as required by applicable law, or (iv) as may be consented to in writing by Rallybio (not to be unreasonably withheld, conditioned or delayed), Candid has agreed to (A) conduct its business and operations in the ordinary course of business and in compliance in all material respects with all applicable laws and the requirements of all of its material contracts and (B) continue to pay material outstanding accounts payable and other material current liabilities (including payroll) in the ordinary course of business, and will not, nor shall it cause or permit any of its subsidiaries to:

- declare, accrue, set aside or pay any dividend or make any other distribution in respect of any shares of its capital stock or repurchase, redeem or otherwise reacquire any shares of its capital stock or other securities (except repurchases from terminated employees, directors or consultants of Candid or in connection with the payment of the exercise price or withholding taxes incurred upon the exercise, settlement or vesting of any award granted under the Candid 2024 Plan in accordance with the terms of such award in effect on the date of the Merger Agreement);
- sell, issue, grant, pledge or otherwise dispose of or encumber or authorize any of the foregoing with respect to: (A) any capital stock or other security of Candid or any of its subsidiaries (except for shares of Candid Common Stock issued upon the valid exercise of Candid stock options); (B) any option, warrant or right to

acquire any capital stock or any other security other than stock options or restricted stock unit awards granted to employees and service providers in the ordinary course of business which are included in the calculation of the Candid Outstanding Shares; or (C) any instrument convertible into or exchangeable for any capital stock or other security of Candid or any of its subsidiaries;

- except as required to give effect to anything in contemplation of the Closing (including in connection with the Concurrent Financing), amend any of its or its subsidiaries organizational documents, or effect or be a party to any merger, consolidation, share exchange, business combination, recapitalization, reclassification of shares, stock split, reverse stock split or similar transaction except, for the avoidance of doubt, in connection with the Contemplated Transactions;
- form any subsidiary or acquire any equity interest or other interest in any other entity or enter into a joint venture with any other entity;
- (A) lend money to any person (except for the advancement of reasonable and customary expenses to employees and directors in the ordinary course of business), (B) incur or guarantee any indebtedness for borrowed money, (C) guarantee any debt securities of others, (D) other than the incurrence or payment of Transaction Expenses (as defined in "*The Merger Agreement—Other Agreements—Fees and Expenses*"), make any capital expenditures in excess of \$1.5 million of the budgeted capital expenditure amounts set forth in Candid's operating budget delivered to Rallybio on the date of the Merger Agreement (the "Candid Budget"), or (E) forgive any loans to any persons, including Candid's employees, officers, directors or affiliates;
- recognize any labor union or labor organization;
- acquire any material asset or sell, lease or otherwise irrevocably dispose of any of its material assets or properties, or grant any encumbrance with respect to such material assets or properties, except in the ordinary course of business;
- dispose of any of its material assets or properties, except in the ordinary course of business;
- sell, assign, transfer, license, sublicense or otherwise dispose of any material Candid Owned intellectual property or any material Candid licensed intellectual property, in each case (other than pursuant to non-exclusive licenses in the ordinary course of business, the abandonment and refiling of patent applications or co-commercialization or partnership transaction), in the ordinary course of business;
- make, change or revoke any material tax election, fail to pay any income or other material tax as such tax becomes due and payable (taking in account extensions of time to file any tax return granted in the ordinary course of business of not more than seven months), file any amendment making any material change to any tax return, settle or compromise any income or other material tax liability or submit any voluntary disclosure application, enter into any tax allocation, sharing, indemnification or other similar agreement or arrangement (other than customary commercial contracts entered into in the ordinary course of business the principal subject matter of which is not taxes), request or consent to any extension or waiver of any limitation period with respect to any claim or assessment for any income or other material taxes (other than pursuant to an extension of time to file any tax return granted in the ordinary course of business of not more than seven months), or adopt or change any material accounting method in respect of taxes;
- enter into, materially amend or terminate any Candid material contract or contract that would be deemed a Candid material contract if entered into prior to the date of the Merger Agreement (except in the ordinary course of business);
- except as otherwise consistent with in the Candid Budget and the incurrence or payment of any Transaction Expenses or other costs or expenses arising as a result of the Merger Agreement and the Contemplated Transactions (as defined in "*The Merger Agreement—Other Agreements—Fees and Expenses*"), make any expenditures or discharge or satisfy any liabilities, in each case, in amounts that exceed the aggregate amount of the Candid Budget by \$1.5 million;
- other than as required by law or GAAP, take any action to change accounting policies or procedures;
- initiate or settle any legal proceeding;
- (A) fail to maintain any material insurance policies in full force and effect prior to the renewal period of any such material insurance policies or (B) fail to use commercially reasonable efforts to renew any such material insurance policies following the applicable expiration or acquire substantially similar insurance policies;

- enter into or amend a contract that would reasonably be expected to prevent or materially impede, interfere with, hinder or delay the consummation of the Contemplated Transactions;
- enter into a new line of business or start to conduct a line of business; or
- agree, resolve or commit to do any of the foregoing.

Termination and Termination Fees

Termination of the Merger Agreement

The Merger Agreement may be terminated prior to the Effective Time (whether before or after the required stockholder approvals to consummate the Merger have been obtained, unless otherwise specified below), subject to certain exceptions described more fully in the Merger Agreement:

- (a) by mutual written consent of Rallybio and Candid;
- (b) by either Rallybio or Candid if the Contemplated Transactions have not been consummated by September 1, 2026 (subject to any extension as provided in this paragraph, the “End Date”); provided, however, that the right to terminate the Merger Agreement under this paragraph will not be available to Candid, on the one hand, or Rallybio, on the other hand, if such party’s action or failure to act has been a principal cause of the failure of the Contemplated Transactions to occur on or before the End Date and such action or failure to act constitutes a breach of the Merger Agreement; provided, further, that either party will be entitled to extend the End Date for an additional sixty calendar days in the event that, by the date which is 30 calendar days prior to September 1, 2026, (i) the SEC has not declared the registration statement or (ii) the waiting periods (and extensions thereof) applicable to the Merger under the HSR Act have not expired or otherwise been terminated;
- (c) by either Rallybio or Candid if a court of competent jurisdiction or other governmental body has issued a final and non-appealable order, decree or ruling, or has taken any other action, having the effect of permanently restraining, enjoining or otherwise prohibiting the Contemplated Transactions;
- (d) by Rallybio if the Candid written consent executed by each Candid required signatory has not been obtained within seven business days of the date of the registration statement is declared effective (subject to Candid’s rights and obligations with respect to the non-solicitation provisions set forth in Section 4.5 of the Merger Agreement); provided, however, that once the Candid written consent has been obtained, Rallybio may not terminate the Merger Agreement pursuant to this paragraph;
- (e) by either Rallybio or Candid if (i) the Rallybio stockholders’ meeting (including any adjournments and postponements thereof) was held and completed and Rallybio’s stockholders shall have taken a final vote on the Rallybio Stockholder Matters and (ii) the Rallybio Stockholder Matters were not approved by the Required Rallybio Stockholder Vote;
- (f) by Candid (at any time prior to the approval of the Rallybio Stockholder Matters by the Required Rallybio Stockholder Vote) if any of the following circumstances has occurred: (a) Rallybio has failed to include in the Proxy Statement the Rallybio Board Recommendation or the Rallybio Board has changed its recommendation; (b) the Rallybio Board or any committee thereof has publicly approved, endorsed or recommended any Acquisition Proposal; (c) following the date of the Merger Agreement, has entered into a contract relating to any Acquisition Proposal (other than a permitted confidentiality agreement) in violation of the terms of the Merger Agreement; (d) Rallybio’s willful and intentional breach of its non-solicitation covenants contained in the Merger Agreement; or (e) the Rallybio Board’s failure to publicly reaffirm its recommendation within ten Business Days of Candid’s request in writing;
- (g) by Rallybio (at any time prior to the completion of the Required Candid Stockholder Vote) if any of the following circumstances has occurred: (a) the Candid Board has withdrawn or modified (or has publicly proposed or resolved to withdraw or modify) its recommendation; (b) Candid Board or any committee thereof has adopted or approved, or publicly endorsed or recommended, any Acquisition Proposal; or (c) following the date of the Merger Agreement, Candid has entered into a contract relating to any Acquisition Proposal;
- (h) by Candid (at any time prior to the approval of the Rallybio Stockholder Matters by the Required Rallybio Stockholder Vote and subject to Candid’s compliance in all material respects with all of Candid’s obligations

- with respect to Rallybio's match rights as set forth in Section 5.2(e)(i) of the Merger Agreement) concurrently with entering into a Permitted Alternative Agreement and having paid to Rallybio the Rallybio Termination Fee;
- (i) by Candid, upon a breach of any representation, warranty, covenant or agreement set forth in the Merger Agreement by Rallybio or Merger Sub or if any representation or warranty of Rallybio or Merger Sub has become inaccurate, in either case, such that certain closing conditions set forth in the Merger Agreement would not be satisfied as of the time of such breach or as of the time such representation or warranty has become inaccurate; provided that Candid is not then in material breach of any representation, warranty, covenant or agreement under the Merger Agreement, subject to certain rights to cure as set forth in the Merger Agreement; and
 - (j) by Rallybio, upon a breach of any representation, warranty, covenant or agreement set forth in the Merger Agreement by Candid or if any representation or warranty of Candid has become inaccurate, in either case, such that certain closing conditions set forth in the Merger Agreement would not be satisfied as of the time of such breach or as of the time such representation or warranty has become inaccurate; provided that neither Rallybio nor Merger Sub is then in material breach of any representation, warranty, covenant or agreement under the Merger Agreement, subject to certain rights to cure as set forth in the Merger Agreement.

The party desiring to terminate the Merger Agreement will give the other party written notice of such termination, specifying the provisions of the Merger Agreement pursuant to which such termination is made and the basis therefor described in reasonable detail.

Termination Fees Payable by Rallybio

Rallybio must pay Candid a one-time nonrefundable termination fee of \$1.425 million if:

- (i) the Merger Agreement is terminated pursuant to clause (b), (e) or (i) above, (ii) an Acquisition Proposal with respect to Rallybio has been publicly announced, disclosed or otherwise communicated to Rallybio or the Rallybio Board at any time after the date of the Merger Agreement but prior to the termination of the Merger Agreement (which termination has not been withdrawn) and (iii) within twelve months after the date of such termination, Rallybio enters into a definitive agreement with respect to a subsequent transaction or consummates a Subsequent Transaction in respect of such Acquisition Proposal or in respect of any other Acquisition Proposal; or
- the Merger Agreement is terminated by Candid pursuant to clause (f) above (or at the time the Merger Agreement is terminated, Candid has the right to terminate the Merger Agreement pursuant to clause (f) above).

A "Subsequent Transaction" is any Acquisition Transaction (with all references to 20% in the definition of Acquisition Transaction being treated as references to greater than 50% for such purpose).

If the Merger Agreement is terminated pursuant to clauses (e), (f) or (i) above or in the event of the failure of Candid to consummate the transactions to be contemplated at the Closing solely as a result of a Rallybio Material Adverse Effect (provided, that at such time all other conditions precedent to Rallybio's obligation to close set forth in the Merger Agreement have been satisfied by Candid, are capable of being satisfied by Candid or have been waived by Rallybio), then Rallybio will also reimburse Candid for all reasonable out-of-pocket fees and expenses incurred by Candid in connection with the Merger Agreement and the Contemplated Transactions, up to a maximum of \$500,000, by wire transfer of same-day funds within ten business days following the date on which Candid submits to Rallybio true and correct copies of reasonable documentation supporting such expenses; provided, however, that such expenses shall not include any amounts for financial advisors to Candid except for reasonably documented out-of-pocket expenses otherwise reimbursable by Candid to such financial advisors pursuant to the terms of Candid's engagement letter or similar arrangement with such financial advisors. To the extent any such expenses are paid, such amounts will be credited against any termination fee that becomes payable by Rallybio to Candid thereafter.

Termination Fees Payable by Candid

Candid must pay Rallybio a one-time nonrefundable termination fee of \$50 million if:

- (i) the Merger Agreement is terminated by Rallybio pursuant to clause (d), (i) or (j) above, (ii) an Acquisition Proposal with respect to Candid has been publicly announced, disclosed or otherwise communicated to Candid or the Candid Board at any time after the date of the Merger Agreement but prior to obtaining the Required Candid Stockholder Vote (which termination shall not have been withdrawn, (A) in the case of a termination pursuant to clause (b) or (j), at the time the Required Candid Stockholder Vote is obtained and (B) in the case of a termination pursuant to clause (d), at the time of such termination), and (iii) within twelve months after the date of such termination, Candid enters into a definitive agreement with respect to a Subsequent Transaction or consummates a Subsequent Transaction in respect of such Acquisition Proposal or in respect of any other Acquisition Proposal;
- the Merger Agreement is terminated by Rallybio pursuant to clause (g) above (or at the time the Merger Agreement is terminated, Rallybio has the right to terminate the Merger Agreement pursuant to clause (g) above); or
- the Merger Agreement is terminated pursuant to clause (h).

Additionally, Candid must pay Rallybio a one-time nonrefundable termination fee of \$10 million if (i) the Merger Agreement is terminated by Rallybio pursuant to clause (b) above, (ii) an Acquisition Proposal with respect to Candid has been publicly announced, disclosed or otherwise communicated to Candid or the Candid Board at any time after the date of the Merger Agreement but prior to obtaining the Required Candid Stockholder Vote (which termination shall not have been withdrawn at the time the Required Candid Stockholder Vote is obtained), and (iii) within twelve months after the date of such termination, Candid enters into a definitive agreement with respect to a Subsequent Transaction or consummates a Subsequent Transaction in respect of such Acquisition Proposal or in respect of any other Acquisition Proposal.

If the Merger Agreement is terminated pursuant to clauses (d), (g) or (j) above or in the event of the failure of Rallybio to consummate the transactions to be consummated to the Closing solely as a result of an Candid Material Adverse Effect (provided, that at such time all other conditions precedent to Candid's obligation to close set forth in the Merger Agreement have been satisfied by Rallybio, are capable of being satisfied by Rallybio or have been waived by Candid), then Candid will reimburse Rallybio for all reasonable out-of-pocket fees and expenses incurred by Rallybio in connection with the Merger Agreement and the Contemplated Transactions, up to a maximum of \$500,000, by wire transfer of same-day funds within ten business days following the date on which Rallybio submits to Candid true and correct copies of reasonable documentation supporting such expenses; provided, however, that such expenses shall not include any amounts for financial advisors to Rallybio except for reasonably documented out-of-pocket expenses otherwise reimbursable by Rallybio to such financial advisors pursuant to the terms of Rallybio's engagement letter or similar arrangement with such financial advisors. To the extent any such expenses are paid, such amounts will be credited against any termination fee that becomes payable by Candid to Rallybio thereafter.

Other Agreements

Director Indemnification and Insurance

The Merger Agreement provides that, subject to certain limitations as set forth in the Merger Agreement, from the Effective Time through the sixth anniversary of the date on which the Effective Time occurs, Rallybio and the surviving company will indemnify each person who is, has been at any time prior to the date of the Merger Agreement, or who becomes prior to the Effective Time, a director, officer, fiduciary or agent of Rallybio or any of its subsidiaries or Candid, in each case, to the fullest extent permitted by such party's organizational documents or pursuant to indemnification agreements made available to Candid. Each such person will be entitled to advancement of expenses incurred in the defense of any such claim, action, suit, proceeding or investigation; *provided* that any such person to whom expenses are advanced provides an undertaking to Rallybio, to the extent then required by the DGCL, to repay such advances if it is ultimately determined that such person is not entitled to indemnification.

The Merger Agreement also provides that the provisions relating to the indemnification, advancement of expenses and exculpation of present and former directors and officers of Rallybio or any of its subsidiaries set forth in the organizational documents of Rallybio or any of its subsidiaries will not be amended, modified or repealed for a period of six years from the Effective Time in any manner that would adversely affect the rights of individuals who, at or prior to the Effective Time, were officers or directors of Rallybio or any of its subsidiaries, unless required by applicable law. After the Closing, the organizational documents of the surviving corporation will contain provisions no less favorable with respect to the provisions relating to the indemnification, advancement of expenses and exculpation of present and former directors and officers presently set forth in Candid's organizational documents as of the date of the Merger Agreement. Rallybio has agreed to purchase a six year "tail policy" for the non-cancellable extension of Rallybio's existing directors' and officers' liability insurance policies and Rallybio's and any of its subsidiaries' existing directors' and officers' insurance policies and Rallybio's existing fiduciary liability insurance policies (if any), in each case, for a claims reporting or discovery period of at least six years from and after the Effective Time with respect to any claim related to any period of time at or prior to the Effective Time.

Regulatory Approvals

The Merger Agreement provides that, subject to certain limitations set forth in the Merger Agreement, Rallybio and Candid must:

- (a) as promptly as practicable, but in any event within ten Business Days following the date of the Merger Agreement, make or cause to be made any filings required by each of them or any of their respective Affiliates under the HSR Act and (ii) use reasonable best efforts to file or otherwise submit, all applications, notices, reports and other documents reasonably required to be filed by such party with or otherwise submitted by such party to any governmental authority with respect to the transactions contemplated by the Merger Agreement, and to submit promptly any additional information requested by any such governmental authority with respect to the Contemplated Transactions, and to submit promptly any additional information requested by any such governmental body;
- (b) consult and cooperate with one another, and consider in good faith the views of one another, in connection with, and provide to the other in advance (to the extent legally permissible), any analyses, presentations, memoranda, briefs, arguments, opinions and proposals made or submitted by or on behalf of any party hereto in connection with proceedings under or relating to the antitrust laws, as further specified in the Merger Agreement;
- (c) bear its own expenses and costs incurred in connection with any filings and submissions pursuant to antitrust laws, except that Candid has agreed to pay all fees related to any filing made pursuant to the HSR Act;
- (d) in the event that any Legal Proceeding is instituted (or threatened to be instituted) by a governmental body challenging the Merger, each of Rallybio, Merger Sub and Candid will cooperate in all respects with each other and use reasonable best efforts to contest and resist any such Legal Proceeding and to have vacated, lifted, reversed or overturned any decree, judgment, injunction or other order, whether temporary, preliminary or permanent, that is in effect and that prohibits, prevents or restricts consummation of the Merger;
- (e) cause its subsidiaries and affiliates not to, acquire or agree to acquire any rights, interests, assets, business, person or division thereof (whether through acquisition, license, joint venture, collaboration or otherwise), or take any other actions, if such acquisition or action would reasonably be expected to (i) prevent, materially delay, or adversely affect in any material respect the ability of the parties to consummate the any of the Contemplated Transactions, or (ii) result in any party being required to obtain any clearance, consent, approval, waiver, waiting period expiration or termination, non-action or other authorization under any Laws with respect to any of the Contemplated Transactions.

Listing

Rallybio Common Stock currently is listed on Nasdaq under the symbol "RLYB." Rallybio has agreed to use commercially reasonable efforts (i) to maintain its existing listing on Nasdaq until the Closing Date and obtain approval of the listing of the combined company on Nasdaq, (ii) without derogating from the requirements of the foregoing clause (i) and to the extent required by the rules and regulations of Nasdaq, to prepare and submit to

Nasdaq a notification form for the listing of the shares of Rallybio Common Stock to be issued in connection with the Contemplated Transactions, and to cause such shares to be approved for listing (subject to official notice of issuance), (iii) to effect the reverse stock split and (iv) to the extent required by Nasdaq Marketplace Rule 5110, to file an initial listing application for the Rallybio Common Stock on Nasdaq (the "Nasdaq Listing Application") and to cause such listing application to be conditionally approved prior to the Effective Time.

The parties will use commercially reasonable efforts to coordinate with respect to compliance with Nasdaq rules and regulations and will reasonably promptly inform the other party of all verbal or written communications between Nasdaq and such party or its representatives. Candid will cooperate with Rallybio as reasonably requested by Rallybio with respect to the Nasdaq Listing Application and promptly furnish to Rallybio all information concerning Candid and its stockholders that may be required or reasonably requested in connection with any action contemplated by the foregoing paragraph.

Candid Financial Statements

Candid agreed to (i) furnish to Rallybio audited financial statements for the fiscal year ended 2025 for inclusion in the Proxy Statement and the registration statement and (ii) use commercially reasonable efforts to, no later than May 14, 2026, furnish to Rallybio unaudited interim financial statements for each interim period completed prior to the Closing that would be required to be included in the registration statement or any periodic report due prior to the Closing if Candid were subject to the periodic reporting requirements under the Securities Act or the Exchange Act, each of which will be prepared in accordance with GAAP as applied on a consistent basis during the periods involved (except in each case as described in the notes thereto) and on that basis will present fairly, in all material respects, the consolidated financial position and the results of operations, changes in stockholders' equity, and cash flows of Candid as of the dates of and for the periods referred to therein.

Fees and Expenses

Pursuant to the Merger Agreement, all the Transaction Expenses (as defined below), except as described above in the section titled "*The Merger Agreement—Termination and Termination Fees*" of this proxy statement/prospectus, shall be paid by the party incurring such expenses, whether or not the Merger is consummated; provided, that Candid shall bear 60% of all fees and expenses incurred in relation to (i) the printing and filing with the SEC of this registration statement and any amendments and supplements thereto and paid to a financial printer or the SEC, and (ii) the proxy solicitation firm engaged in connection with the Rallybio stockholder meeting. Notwithstanding the foregoing, in connection with a disagreement regarding Rallybio Net Cash, the fees and expenses of the Accounting Firm shall be allocated between Rallybio and Candid in the same proportion that the amount unsuccessfully disputed by such party bears to the total disputed amount of Rallybio Net Cash.

"Transaction Expenses" means, with respect to each party, all fees and expenses incurred by such party at or prior to the Effective Time in connection with the Contemplated Transactions and the Merger Agreement, including (a) any fees and expenses of legal counsel and accountants and the maximum amount of fees and expenses payable to financial advisors, investment bankers, brokers, consultants, and other advisors of such party; (b) fees paid to the SEC in connection with filing the registration statement, the Proxy Statement, and any amendments and supplements thereto, with the SEC; (c) any fees and expenses in connection with the printing, mailing and distribution of the Proxy Statement and registration statement and any amendments and supplements thereto; (d) any fees and expenses payable to Nasdaq; and (e) any fees and expenses of the Rights Agent and the Exchange Agent.

Amendment of Merger Agreement

The Merger Agreement may be amended by the parties at any time with the written approval of Candid, Merger Sub and Rallybio, except that after the Merger Agreement has been adopted and approved by a party's stockholders, no amendment which by law requires further approval by the stockholders of that party will be made without such further stockholder approval.

AGREEMENTS RELATED TO THE MERGER

Support Agreements

Concurrently with the execution of the Merger Agreement, the executive officers and directors and certain other stockholders of Rallybio holding approximately 24.8% of the outstanding Rallybio capital stock as of March 1, 2026 entered into the Rallybio support agreements in favor of Candid, providing among other things, that such officers, directors and stockholders (x) will vote all of their shares of Rallybio capital stock, among other things: (i) in favor of approving the Contemplated Transactions, including the Rallybio Stockholder Matters, the Authorized Share Increase Proposal and the other actions contemplated by the Merger Agreement, (ii) against any proposal made in opposition to, or in competition with, the Merger Agreement or the Merger and (iii) against any acquisition proposal involving a third party and (y) will not solicit or negotiate alternative acquisition proposal or inquiries in their capacities as stockholders of Rallybio.

Concurrently with the execution of the Merger Agreement, certain officers, directors and stockholders of Candid holding approximately 66.14% of the outstanding Candid Capital Stock as of March 1, 2026 entered into the Candid support agreements in favor of Rallybio, providing among other things, that such executive officers, directors and stockholders (x) will vote all of their shares of Candid Capital Stock, among other things: (i) in favor of adopting the Merger Agreement and approving the Merger, the other Contemplated Transactions, the Candid Stockholder Matters (as defined in the Merger Agreement) and the other actions contemplated by the Merger Agreement, (ii) against any proposal made in opposition to, or in competition with, the Merger Agreement or the Merger and (iii) against any acquisition proposal involving a third party and (y) will not solicit or negotiate alternative acquisition proposal or inquiries in their capacities as stockholders of Candid.

Lock-Up Agreements

Concurrently with the execution of the Merger Agreement, certain executive officers, directors and stockholders of Candid holding approximately 66.21% of the outstanding shares of Candid Capital Stock as of March 1, 2026 entered into the Lock-Up Agreements, pursuant to which, subject to specified exceptions, such persons accepted certain restrictions on transfers of the shares of Rallybio Common Stock beneficially held by such persons or such persons' family members (other than shares received as a result of the conversion of shares received in the Concurrent Financing) for the 180-day period following the Effective Time.

Subscription Agreement

Concurrently with the execution and delivery of the Merger Agreement, certain new and existing investors of Candid entered into the Subscription Agreement with Candid, pursuant to which such investors have agreed to purchase, immediately prior to the Merger, shares of Candid Common Stock representing an aggregate commitment of approximately \$505.5 million in the Concurrent Financing. Under the Subscription Agreement, the number of shares of Candid Common Stock shall be determined at a purchase price per share equal to (i) a fixed valuation for Candid equal to approximately \$750.0 million, (ii) divided by the number of shares of Candid Common Stock outstanding immediately prior to the Effective Time (excluding the securities being issued under the Subscription Agreement).

The shares of Candid Common Stock that are issued in the Concurrent Financing will be or will have the right to be, respectively, converted into shares of Rallybio Common Stock in the Merger. Accordingly, by approving Proposal No. 1 relating to the Merger, Rallybio stockholders will also be approving the issuance of shares of Rallybio Common Stock to be issued in exchange for all shares of Candid Common Stock that are sold in the Concurrent Financing.

The Subscription Agreement contains customary representations and warranties of Candid and also contains customary representations and warranties of the purchaser parties thereto.

Each purchaser's obligation to purchase shares of Candid Common Stock from Candid pursuant to the Subscription Agreement is subject to the satisfaction or waiver of certain conditions, including:

- Candid's representations and warranties in the Subscription Agreement being true and correct in all respects as of the effective date of the Subscription Agreement and true and correct in all material respects as of the closing date for the Concurrent Financing, subject to certain exceptions;

- Candid having performed and complied in all material respects with the obligations and conditions required to be performed or complied with by it;
- the issuance of a compliance certificate by an authorized officer of Candid;
- all consents, permits, approvals, qualifications, registrations and waivers necessary for the consummation of the purchase and sale of the securities under the Subscription Agreement having been obtained and in full force and effect;
- the issuance of a secretary's certificate by the secretary of Candid;
- the satisfaction or waiver of all conditions to the Closing set forth in the Merger Agreement (other than the condition regarding the Concurrent Financing and other than those conditions which, by their nature, are to be satisfied at the Closing of the transactions contemplated by the Merger), the Closing being set to occur substantially concurrently with the closing of the Concurrent Financing, and the Merger Agreement not having been amended, modified or waived in a manner that would reasonably be expected to materially and adversely affect the benefits that the purchasers would reasonably expect to receive pursuant to the Subscription Agreement;
- no injunction having been issued prohibiting the consummation of the Concurrent Financing;
- Candid having delivered the Registration Rights Agreement required by the Subscription Agreement;
- the registration statement of which this proxy statement/prospectus forms a part shall have become effective under the Securities Act, no stop order shall be suspending the effectiveness of the registration statement of which this proxy statement/prospectus forms a part and no proceeding for that purpose shall have been initiated or threatened in writing by the SEC;
- the Nasdaq Listing Application shall have been approved by Nasdaq;
- no material adverse effect shall have occurred that is continuing, since the date of the Subscription Agreement;
- Candid having received at Closing aggregate proceeds from the purchase of securities pursuant to the Subscription Agreement of not less than \$450.0 million; and
- an opinion from Candid counsel, dated as of the Closing.

Candid's obligation to sell shares of Candid Common Stock to each purchaser pursuant to the Subscription Agreement is subject to the satisfaction or waiver of certain conditions, including:

- the representations and warranties made by the purchasers being true and correct as of the effective date of the Subscription Agreement and true and correct in all material respects as of the closing date of the Concurrent Financing, subject to certain exceptions;
- each purchaser having performed and complied with all obligations and conditions required to be performed or complied with by each purchaser;
- each purchaser having obtained all registrations, qualifications, permits and approvals, if any, required under applicable securities laws;
- the satisfaction or waiver of all conditions to the Closing set forth in the Merger Agreement (other than the condition regarding the Concurrent Financing and other than those conditions which, by their nature, are to be satisfied at the Closing of the transactions contemplated by the Merger) and the Closing being set to occur substantially concurrently with the closing of the Concurrent Financing;
- Candid having received payment in full from each purchaser as required by the Subscription Agreement, subject to certain exceptions; and
- no injunction having been issued prohibiting the consummation of the Concurrent Financing.

The Subscription Agreement may be changed, waived, amended or modified only by a written instrument executed by Candid and the purchasers holding, or having the right to purchase at the closing of the Concurrent Financing, a majority of the shares purchased or to be purchased in the Concurrent Financing, which must include each purchaser who has purchased or committed to purchase at least \$25.0 million of shares of Candid Common Stock (the "Purchaser Majority"), subject to certain exceptions. The Subscription Agreement may be terminated upon the earlier to occur of (i) such date and time that the Merger Agreement is terminated in accordance with its terms,

(ii) upon the mutual written agreement of Candid and an applicable purchaser (provided such termination will not otherwise apply to other purchasers), (iii) by Candid, if on the closing date of the Concurrent Financing, any of the closing conditions of the purchasers have not been satisfied or waived, and, as a result thereof, the transactions contemplated by the Subscription Agreement are not consummated, (iv) by a purchaser, if on the closing date of the Concurrent Financing, any of the closing conditions of Candid have not been satisfied or waived, and, as a result thereof, the transactions contemplated by the Subscription Agreement are not consummated and (v) if the closing of the Concurrent Financing has not occurred by September 1, 2026 (or November 1, 2026 if the End Date is automatically extended pursuant to the terms of the Merger Agreement).

The foregoing description of the Subscription Agreement does not purport to be complete and is qualified in its entirety by the full text of the form of Subscription Agreement, which is attached hereto as *Annex G*.

Registration Rights Agreement

The Subscription Agreement contemplates Rallybio, Candid and the purchasers participating in the Concurrent Financing entering into the Registration Rights Agreement at the closing of the Concurrent Financing, pursuant to which, among other things, the combined company will agree to provide for the registration and resale of certain shares of Candid Common Stock that are held by the purchasers participating in the Concurrent Financing from time to time, including certain shares of Rallybio Common Stock issued in exchange for shares of Candid Common Stock sold in the Concurrent Financing.

Pursuant to the Registration Rights Agreement, the combined company will agree to prepare and file a resale registration statement covering the resale of certain shares of Rallybio Common Stock within 30 calendar days of the Closing pursuant to Rule 415 and to use its commercially reasonable efforts to keep such registration statement continuously effective under the Securities Act until the earlier of (a) the date that all registrable securities covered by such registration statement (i) have been sold thereunder or pursuant to Rule 144, or (ii) may be sold without volume or manner-of-sale restrictions pursuant to Rule 144 and without the requirement for the combined company to be in compliance with the current public information requirement under Rule 144, and (b) five years after the date of the Registration Rights Agreement.

The Registration Rights Agreement also provides that the combined company will pay certain expenses relating to such registrations and indemnify the applicable securityholders against certain liabilities. The form of Registration Rights Agreement is filed as Annex H to the registration statement of which this proxy statement/prospectus is a part, and the foregoing description of the Registration Rights Agreement is qualified in its entirety by reference thereto.

Rallybio Contingent Value Rights Agreement

Prior to the Effective Time, Rallybio and the designated rights agent are expected to enter into the Rallybio CVR Agreement, pursuant to which holders of Rallybio Common Stock, pre-funded warrants, restricted stock units and in the money stock options as of the close of business on the last business day prior to the day on which the Effective Time occurs will receive one Rallybio CVR for each outstanding share, or share underlying such pre-funded warrants or equity award, held by such holder. Each Rallybio CVR holder will be entitled to receive on a pro rata basis all of the proceeds received, if any, by Rallybio as a result of payment of (i) any upfront, milestone, or royalty payments received under any disposition agreement related to the Legacy Assets (as defined below), and (ii) any cash proceeds received from Recursion related to the earlier sale of Rallybio's REV102 in July 2025, in each case, net of certain permitted deductions as set forth in the Rallybio CVR Agreement (collectively, the "Net Proceeds"). For a period of one year after the Closing, the combined company will use commercially reasonable efforts to effect the disposition of the Legacy Assets.

"Legacy Assets" means Rallybio's rights, assets, technology and intellectual property that were in existence immediately prior to the execution of the Merger Agreement and were used or generated prior to such execution in one or more of Rallybio's research and development programs. For clarity, the Legacy Assets shall not include any asset, technology or intellectual property owned or controlled by Candid or its subsidiaries prior to the Closing.

Pursuant to the Rallybio CVR Agreement, each Rallybio CVR holder will be entitled to certain rights to receive a cash payment equal to such holder's pro rata share of 100% of the Net Proceeds actually received by Rallybio during an

annual period (or portion thereof) beginning on the effective date of the Rallybio CVR Agreement and ending on December 31 of any given calendar year (a "Rallybio CVR Payment") during the period beginning on the Closing and ending on December 31, 2030 (each such annual period, a "CVR Payment Period"). Such proceeds are subject to certain permitted deductions, including for applicable tax payments, certain expenses incurred by Rallybio or its affiliates, losses incurred or reasonably expected to be incurred by Rallybio or its affiliates due to third-party claims, demands, actions, or other proceedings relating to or in connection with any disposition, any liabilities borne by Rallybio or any of its affiliates pursuant to contracts related to Legacy Assets and any amounts payable to the designated rights agent.

The Rallybio CVR Payments, if any, will become payable to the designated rights agent for subsequent distribution to the Rallybio CVR holders. In the event that no such proceeds are received during a CVR Payment Period, holders of the Rallybio CVRs will not receive any payment pursuant to the Rallybio CVR Agreement for such CVR Payment Period. There can be no assurance that any Rallybio CVR holders will receive any Rallybio CVR Payments.

The right to the contingent payments contemplated by the Rallybio CVR Agreement is a contractual right only and is not transferable, except in the limited circumstances specified in the Rallybio CVR Agreement. The Rallybio CVRs are not evidenced by a certificate or any other instrument and are not registered with SEC. The Rallybio CVRs do not have any voting or dividend rights and do not represent any equity or ownership interest in Rallybio or any of its respective affiliates. No interest will accrue on any amounts payable in respect of the Rallybio CVRs.

Material U.S. Federal Income Tax Consequences of the Rallybio CVRs to holders of Rallybio Common Stock.

The following is a discussion of the material U.S. federal income tax consequences of the issuance of the Rallybio CVRs and payments (if any) thereon to U.S. holders of Rallybio Common Stock. This discussion does not purport to be a complete analysis of all potential tax consequences and is based upon current provisions of the Code, existing Treasury regulations, judicial decisions and published rulings and administrative pronouncements of the IRS, all in effect as of the date hereof and all of which are subject to differing interpretations or change. Any such change or differing interpretation, which may be retroactive, could alter the tax consequences to holders of Rallybio Common Stock as described in this summary.

This discussion does not address all U.S. federal income tax consequences relevant to U.S. holders of Rallybio Common Stock. In addition, it does not address consequences relevant to holders of Rallybio Common Stock that are subject to particular U.S. or non-U.S. tax rules, including, without limitation, to holders of Rallybio Common Stock that are:

- persons who do not hold their Rallybio Common Stock as a "capital asset" within the meaning of Section 1221 of the Code;
- brokers, dealers or traders in securities, banks, insurance companies, other financial institutions or mutual funds;
- real estate investment trusts; regulated investment companies; tax-exempt organizations or governmental organizations;
- pass-through entities such as partnerships, S corporations, disregarded entities for federal income tax purposes and limited liability companies (and investors therein);
- subject to the alternative minimum tax provisions of the Code;
- persons who hold their shares as part of a hedge, wash sale, synthetic security, conversion transaction or other integrated transaction;
- persons that have a functional currency other than the U.S. dollar;
- traders in securities who elect to apply a mark-to-market method of accounting;
- persons who hold shares of Rallybio Common Stock that may constitute "qualified small business stock" under Section 1202 of the Code or as "Section 1244 stock" for purposes of Section 1244 of the Code;
- persons who acquired their shares of Rallybio stock in a transaction subject to the gain rollover provisions of Section 1045 of the Code;

- persons subject to special tax accounting rules as a result of any item of gross income with respect to Rallybio stock being taken into account in an “applicable financial statement” (as defined in the Code);
- persons deemed to sell Rallybio Common Stock under the constructive sale provisions of the Code;
- persons who acquired their shares of Rallybio Common Stock pursuant to the exercise of options or otherwise as compensation or through a tax-qualified retirement plan or through the exercise of a warrant or conversion rights under convertible instruments; and
- expatriates or former citizens or long-term residents of the United States.

U.S. Holders of Rallybio Common Stock subject to particular U.S. or non-U.S. tax rules, including those that are described in the preceding paragraph, are urged to consult their own tax advisors regarding the consequences to them of Rallybio CVRs.

If an entity that is treated as a partnership for U.S. federal income tax purposes (or any other pass-through entity) holds Rallybio Common Stock, the U.S. federal income tax treatment of a partner in the partnership or other pass-through entity will generally depend upon the status of the partner, the activities of the partnership or other pass-through entity and certain determinations made at the partner level. If you are a partner of a partnership or other pass-through entity holding Rallybio Common Stock, you should consult your tax advisors regarding the tax consequences of the Merger.

STOCKHOLDERS SHOULD CONSULT THEIR TAX ADVISORS WITH RESPECT TO THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR SITUATIONS AS WELL AS ANY TAX CONSEQUENCES OF THE CVRS ARISING UNDER THE U.S. FEDERAL ESTATE OR GIFT TAX LAWS OR UNDER THE LAWS OF ANY STATE, LOCAL OR NON-U.S. TAXING JURISDICTION OR UNDER ANY APPLICABLE INCOME TAX TREATY.

Definition of “U.S. Holder”

For purposes of this discussion, a “U.S. holder” is a beneficial owner of Rallybio Common Stock that is, for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the United States;
- a corporation or any other entity taxable as a corporation created or organized in or under the laws of the United States, any state thereof, or the District of Columbia;
- a trust if either (i) a court within the United States is able to exercise primary supervision over the administration of such trust, and one or more United States persons (within the meaning of Section 7701(a)(30) of the Code) is authorized or has the authority to control all substantial decisions of such trust, or (ii) the trust was in existence on August 20, 1996 and has a valid election in effect under applicable Treasury Regulations to be treated as a United States person for U.S. federal income tax purposes; or
- an estate, the income of which is subject to U.S. federal income tax regardless of its source.

Tax Treatment of the Rallybio CVRs and the Proposed Reverse Stock Split

Although the matter is not free from doubt, Rallybio intends to treat the issuance of the CVRs (together with any payments on the CVRs) and the proposed Reverse Stock Split as separate transactions for U.S. federal income tax purposes, and the following discussion (except as discussed below under “*Alternative Treatment of the CVRs and the Reverse Stock Split as a Single Recapitalization*”) assumes this treatment will be respected. The IRS could challenge this position, however. Rallybio urges you to consult your tax advisor with respect to whether the issuance of the CVRs (and any payments on the CVRs), on the one hand, and the proposed Reverse Stock Split, on the other, constitute separate transactions.

Tax Treatment of the CVRs to U.S. holders of Rallybio Common Stock

There is no authority directly on point addressing whether contingent value rights with characteristics similar to the CVRs should be treated for federal income tax purposes as a distribution of property with respect to Rallybio Common Stock, an “open transaction,” or in some other manner, and such questions are inherently factual in nature. Accordingly, holders are urged to consult with their tax advisors regarding this issue.

Rallybio intends to report the issuance of the CVRs as a distribution of property with respect to its stock consistent with “closed transaction” treatment. Rallybio’s views and actions (and the fair market value figure ascribed to the

CVRs) are not dispositive with respect to the tax treatment or fair market value of the CVRs and are not binding on the IRS as to a U.S. holder's tax treatment of the receipt of CVRs or the fair market value of the CVRs. The IRS and Treasury Department have expressly stated in Treasury Regulations that only in "rare and extraordinary cases" is the value of property so uncertain that "open transaction" treatment is available. Here, Rallybio has determined that the value of the CVRs on the Closing Date can be reasonably ascertained and, as a result, Rallybio intends to report the issuance of the CVRs as a distribution of property with respect to its stock consistent with "closed transaction" treatment.

The following sections discuss the U.S. federal income tax consequences of the CVRs if treated as a closed transaction or, alternatively, as an open transaction. It is also possible that the issuance of the CVRs could be treated as one or more "debt instruments" or as a distribution of equity. Rallybio U.S. holders are urged to consult their tax advisors regarding the tax consequences to them of the receipt of CVRs and payments on the CVRs.

Closed Transaction Treatment.

If treated as a closed transaction, each Rallybio U.S. holder will be treated as receiving a distribution in an amount equal to the fair market value of the CVR issued to such Rallybio U.S. holder on the date of the issuance. This distribution generally should be treated first as a taxable dividend to the extent of the Rallybio U.S. holder's *pro rata* share of Rallybio's current or accumulated earnings and profits (as determined for U.S. federal income tax purposes), then as a non-taxable return of capital to the extent of the Rallybio U.S. holder's basis in its Rallybio Common Stock, and finally as capital gain from the sale or exchange of Rallybio Common Stock with respect to any remaining value. Rallybio U.S. holders will receive a Form 1099-DIV notifying them of the portion of the CVR value that is reported by Rallybio as a dividend for U.S. federal income tax purposes. Although Rallybio will estimate the value of the CVRs for purposes of reporting on Form 1099-DIV to Rallybio U.S. holders, the value of the CVRs is uncertain and the IRS or a court could determine that the value of the CVRs at the time of issuance was higher. In such case, the Rallybio U.S. holders could be treated as having additional income or gain upon receipt of the CVRs as described above. A Rallybio U.S. holder's initial tax basis in such holder's CVR should equal the fair market value of such CVR on the date of their issuance. The holding period of such CVR should begin on the date of issuance.

The treatment of future payments received by a Rallybio U.S. holder on a CVR is uncertain. It is possible that payments received with respect to a CVR up to the amount of the Rallybio U.S. holder's adjusted tax basis in the CVR, may be treated as a non-taxable return of a Rallybio U.S. holder's adjusted tax basis in the CVR, with any amount received in excess of such basis treated as gain from the disposition of the CVR. Rallybio intends to treat any payment made in respect of a CVR in a manner consistent with the foregoing, but Rallybio's position is not dispositive with respect to the tax treatment of such payments and is not binding on the IRS. Assuming that this method of reporting is correct, the gain will be long-term capital gain if the Rallybio U.S. holder has held the CVR for more than one year at the time of such payment. Payments with respect to a CVR could alternatively be treated as ordinary income. Rallybio U.S. holders are urged to consult their tax advisors regarding the characterization of payments received with respect to the CVRs.

Open Transaction Treatment.

If the issuance of the CVRs is treated as an open transaction, (because, for example, the value of the CVRs on the closing date cannot be "reasonably ascertained"), a Rallybio U.S. holder should not immediately take the CVRs into account in determining whether such holder must recognize income, if any, on the receipt of the CVRs and such holder would take no tax basis in the CVRs. Rather, the Rallybio U.S. holder's U.S. federal income tax consequences would be determined at the time future payments, if any, with respect to the CVRs are received or deemed received, based on whether the CVRs are treated as a distribution of property or of equity, in accordance with the Rallybio U.S. holder's regular method of accounting. As discussed above, Rallybio does not intend to report the issuance of the CVRs as an open transaction and the IRS may disagree with any Rallybio U.S. holder reporting the CVR issuance as an open transaction.

Alternative Treatment of the CVRs and the Proposed Reverse Stock Split as a Single Recapitalization

Notwithstanding Rallybio's position that the CVRs and the proposed Reverse Stock Split are appropriately treated as separate transactions, it is possible that the IRS or a court could determine that the issuance of the CVRs (and/or any payments thereon) and the proposed Reverse Stock Split constitute a single "recapitalization" for U.S. federal income tax purposes with the CVRs constituting taxable "boot" received in such recapitalization exchange. In such case, the tax consequences of the CVRs and the proposed Reverse Stock Split would differ from those described above, including the timing and character of income, which would depend in part on many of the same considerations described above.

RALLYBIO EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Unless otherwise indicated or the context otherwise requires, references in this section to “Rallybio,” the “Company,” “we,” “us,” “our” and other similar terms refer to Rallybio and its subsidiaries.

Executive Officers

The following table identifies our executive officers, and sets forth their current positions at Rallybio Corporation, and their ages as of March 6, 2026.

NAME	AGE	POSITION
Stephen Uden, M.D.	68	President, Chief Executive Officer; Director
Jonathan I. Lieber, M.B.A.	56	Chief Financial Officer and Treasurer
Steven Ryder, M.D.	75	Chief Medical Officer

You should refer to “*Proposal No. 5—The Director Election Proposal*” for information about our Chief Executive Officer, Stephen Uden, M.D. Biographical information for our other executive officers, as of March 6, 2026, is set forth below.

Jonathan I. Lieber, M.B.A., has been Chief Financial Officer and Treasurer of Rallybio since February 2023. Previously, Mr. Lieber, served as the Chief Financial Officer of Applied Genetic Technologies Corporation, a publicly-traded clinical-stage biotechnology company, from September 2021 until November 2022. From December 2018 until September 2021, Mr. Lieber was a Managing Director at Danforth Advisors, a firm providing strategic and operational finance and accounting for life science companies. From July 2015 until December 2018, Mr. Lieber served as Chief Financial Officer of Histogenics Corporation, a publicly traded cell therapy company. Mr. Lieber also served as the Chief Financial Officer of Metamark Genetics, Inc., Repligen Corporation, Xcellerex, Inc., and Altus Pharmaceuticals. Mr. Lieber began his career in healthcare as an investment banker at Salomon Brothers / Salomon Smith Barney and SG Cowen. He has been a member of the board of directors of Decoy Therapeutics, Inc. (Nasdaq: DCOY) since June 2020, Mindwalk Holdings Corp. (Nasdaq: HYFT) since July 2025 and Zola Pharmaceuticals (private) since February 2024. Mr. Lieber received a B.S. in business administration and finance from Boston University and an M.B.A. in finance from New York University’s Leonard N. Stern School of Business.

Steven Ryder, M.D., has been Chief Medical Officer of Rallybio since January 2019. Previously, Dr. Ryder served as Chief Development Officer at Alexion from July 2013 to December 2018. From April 2008 to April 2013, Dr. Ryder served as President of Astellas Pharma Global Development at Astellas Pharma Inc. (“Astellas”). Prior to joining Astellas, Dr. Ryder worked at Pfizer for 21 years where he held positions of increasing responsibility, including head of worldwide clinical development. Dr. Ryder has been a member of the Board of Directors of MBX Biosciences, Inc. since January 2024 and previously served on the board of directors of Reata Pharmaceuticals, Inc. from July 2022 until September 2023. Dr. Ryder received an M.D. from the Icahn School of Medicine at Mount Sinai.

Director Independence

Under the rules of the Nasdaq Stock Market, independent directors must comprise a majority of a listed company’s board of directors. In addition, the rules of the Nasdaq Stock Market require that, subject to specified exceptions, each member of a listed company’s audit and compensation committees be independent and that director nominees be selected or recommended for the board’s selection by independent directors constituting a majority of the independent directors or by a nominating and corporate governance committee comprised solely of independent directors. Under the rules of the Nasdaq Stock Market, a director will only qualify as “independent” if, in the opinion of that company’s board of directors,

that person does not have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director and that such person is “independent” as defined under Nasdaq Stock Market and the rules under the Exchange Act.

Audit committee members must also satisfy the independence criteria set forth in Rule 10A-3 under the Exchange Act. In order to be considered independent for purposes of Rule 10A-3, a member of an audit committee of a listed company may not, other than in his or her capacity as a member of the audit committee, the board of directors or any other board committee: (1) accept, directly or indirectly, any consulting, advisory or other compensatory fee from the listed company or any of its subsidiaries or (2) be an affiliated person of the listed company or any of its subsidiaries.

Based upon information requested from and provided by each director concerning his or her background, employment and affiliations, including family relationships, our Board has determined that each of our directors, with the exception of Drs. Mackay and Uden, is an “independent director” as defined under applicable rules of the Nasdaq Stock Market. In addition, all members of our audit committee satisfy the independence criteria set forth in Rule 10A-3 under the Exchange Act, and all members of our Compensation Committee satisfy the independence criteria set forth in Rule 10C-1 under the Exchange Act and are “non-employee directors” as defined in Section 16b-3 of the Exchange Act, and all members of the Nominating and Corporate Governance Committee are “independent” as defined under the applicable listing standards of Nasdaq. In making such determination, our Board considered the relationships that each such non-employee director has with our Company and all other facts and circumstances that our Board deemed relevant in determining his or her independence, including the beneficial ownership of our capital stock by each non-employee director. Dr. Mackay is not independent under these rules because he is a former employee of the Company and is party to a consulting agreement with the Company. Dr. Uden is not an independent director under these rules because he is an employee of Rallybio.

Board Meetings and Attendance

The Rallybio Board held 22 meetings during the year ended December 31, 2025. Each of the directors attended at least seventy-five percent (75%) of the meetings of the Rallybio Board and the committees of the Rallybio Board on which he or she served during the year ended December 31, 2025 (in each case, which were held during the period for which he or she was a director and/or a member of the applicable committee and excluding any meetings in which a director was an interested party).

While we do not have a formal policy regarding director attendance at the annual meeting of stockholders, we expect our Rallybio Board members to prepare for, attend and participate in all Rallybio Board and applicable committee meetings, including by means of remote communication. All members of the Rallybio Board attended the 2025 Annual Meeting.

Board of Directors Leadership Structure

Dr. Mackay serves as Chairman of the Rallybio Board. From August 1, 2023 until December 31, 2024, Dr. Mackay served as Executive Chairman, and prior to August 1, 2023 served as Chief Executive Officer and Chairman.

In December 2023, the independent directors designated a Lead Director, which is a role that is similar to the role of an independent Chairman. Ms. Soteropoulos has served as Lead Director since December 2023. As set forth in Rallybio's Corporate Governance Guidelines, the Lead Director presides at meetings of the Board at which the Chairman, who is not currently independent, is not present, including executive sessions of our independent directors, serves as an independent point of contact for stockholders, and has other duties described in Rallybio's Corporate Governance Guidelines, which are available on our website.

The independent members of the Rallybio Board have periodically reviewed the Rallybio Board's leadership structure and have determined that Rallybio and its stockholders are well served with this structure. Dr. Mackay's former service as chief executive officer provides him with valuable insights into the Company's programs, operations, strategy and culture. In addition, Dr. Mackay serves on the board of directors of three public companies, and his corporate governance experience is incorporated into his leadership of the Rallybio Board. The Rallybio Board believes that it is in the best interests of Rallybio for the Rallybio Board to make a determination regarding whether

or not to separate the roles of any chairperson and the Chief Executive Officer based on the then-current circumstances. Dr. Mackay has not served as Chief Executive Officer since August 2023.

Board Committees

The Rallybio Board has a standing Audit, Compensation and Nominating and Corporate Governance Committee. Each of our audit committee, Compensation Committee and Nominating and Corporate Governance Committee is comprised solely of independent directors, and is described more fully below. Each committee operates pursuant to a written charter and each reviews and assesses the adequacy of its charter periodically. The charters for each committee are all available on our website (www.rallybio.com) under the "Investors" section.

Audit Committee

Our audit committee is composed of Helen M. Boudreau, M.B.A., Robert Hopfner, R.Ph., Ph.D., M.B.A., Ronald Hunt, M.B.A., and Hui Liu, Ph.D., M.B.A., with Ms. Boudreau serving as Chair of the committee. The Rallybio Board has determined that each member of the audit committee meets the independence requirements of Rule 10A-3 under the Exchange Act and the applicable listing standards of Nasdaq. The Rallybio Board has determined that Ms. Boudreau is an "audit committee financial expert" within the meaning of the SEC, regulations and applicable listing standards of Nasdaq. The audit committee's responsibilities include:

- appointing, approving the compensation of, and evaluating the qualifications, performance and independence of, our independent registered public accounting firm;
- overseeing the work of our independent registered public accounting firm, including through the receipt and consideration of reports from such firm;
- pre-approving all audit and permitted non-audit services to be performed by our independent registered public accounting firm;
- reviewing and discussing with management and our independent registered public accounting firm our annual and quarterly financial statements and related disclosures, including earnings releases;
- discussing with our independent registered public accounting firm critical audit matters and related disclosures;
- reviewing and discussing with management and our independent registered public accounting firm any material issues regarding accounting principles and financial statement presentations;
- reviewing disclosures about any significant deficiencies or material weaknesses in our internal controls, including disclosures in our annual and quarterly reports;
- coordinating The Rallybio Board's oversight of our internal control over financial reporting, disclosure controls and procedures, code of business conduct and ethics, procedures for complaints and legal and regulatory matters;
- discussing our risk management policies with management;
- reviewing policies regarding hiring employees from our independent registered public accounting firm and procedures for the receipt and retention of accounting related complaints and concerns;
- meeting independently with our independent registered public accounting firm and management;
- reviewing and approving any related person transactions, in accordance with Company policy;
- overseeing our guidelines and policies governing risk assessment and risk management;
- overseeing the integrity of our information technology systems, process and data;
- preparing the audit committee report required by SEC rules;
- reviewing and assessing, at least annually, the adequacy of the audit committee's charter; and
- performing, at least annually, an evaluation of the performance of the audit committee.

During the year ended December 31, 2025, the audit committee met 4 times. The report of the audit committee is included in this proxy statement/prospectus under "Audit Committee Report."

Nominating and Corporate Governance Committee

Our Nominating and Corporate Governance Committee is composed of Wendy K. Chung, M.D., Ph.D., Robert Hopfner, R.Ph., Ph.D., M.B.A., Ronald Hunt, M.B.A. and Christine Nash, M.B.A., with Ms. Nash serving as Chair of the

committee. The Rallybio Board has determined that each member of the Nominating and Corporate Governance Committee is "independent" as defined under the applicable listing standards of Nasdaq. The Nominating and Corporate Governance Committee's responsibilities include:

- identifying individuals qualified to become members of the Rallybio Board consistent with criteria approved by the board and receiving nominations for such qualified individuals;
- recommending to the Rallybio Board the persons to be nominated for election as directors and to each committee of the Rallybio Board;
- considering and, if appropriate, establishing a policy under which our stockholders may recommend a candidate to the Nominating and Corporate Governance Committee for consideration for nomination as a director;
- reviewing and recommending committee slates on an annual basis;
- recommending to the Rallybio Board qualified candidates to fill vacancies on the Rallybio Board;
- developing and recommending to the Rallybio Board a set of corporate governance principles applicable to us and reviewing the principles on at least an annual basis;
- reviewing and making recommendations to the Rallybio Board with respect to our board leadership structure and board committee structure;
- reviewing our policies and program with respect to significant issues of corporate public responsibility;
- making recommendations to the Rallybio Board processes for annual evaluations of the performance of our Board and committees of the Rallybio Board;
- overseeing the process for annual evaluations of our Board and committees of the Rallybio Board;
- reviewing and reporting to the Rallybio Board any actual or potential conflicts of interest of members of the Rallybio Board;
- providing new director orientation and continuing education for existing directors on a periodic basis;
- overseeing plans for director succession;
- reviewing and assessing, at least annually, the adequacy of the Nominating and Corporate Governance Committee's charter;
- reviewing and overseeing Rallybio's initiatives regarding environmental, social and governance matters, including related risks and opportunities, and Rallybio's public disclosure with respect to such matters; and
- performing, on an annual basis, an evaluation of the performance of the Nominating and Corporate Governance Committee.

The Nominating and Corporate Governance Committee is responsible for developing and recommending to our Board criteria for membership on the Board. During the year ended December 31, 2025, the Nominating and Corporate Governance Committee met one time.

Compensation Committee

Our Compensation Committee is composed of Lucian Iancovici, M.D., Christine A. Nash, M.B.A. and Paula Soteropoulos, with Ms. Soteropoulos serving as Chair of the committee. Our Board has determined that each member of the Compensation Committee is "independent" as defined under the applicable listing standards of Nasdaq and meets the independence criteria set forth in Rule 10C-1 under the Exchange Act. The Compensation Committee's responsibilities include:

- reviewing our overall management compensation strategy, including base salary, incentive compensation and equity-based grants;
- reviewing and approving corporate goals and objectives relevant to the compensation of our chief executive officer and other executive officers;
- recommending to the Rallybio Board the compensation of our chief executive officer and other executive officers;
- reviewing and making recommendations to the Rallybio Board with respect to non-employee director compensation;

- reviewing and administering our cash and equity incentive plans;
- reviewing, considering and selecting, to the extent determined to be advisable, a peer group of appropriate companies for purposes of benchmarking and analysis of compensation for our executive officers and non-employee directors;
- recommending to the Rallybio Board any stock ownership guidelines for our executive officers and non-employee directors;
- retaining, appointing or obtaining advice of a compensation consultant, legal counsel or other advisor and determining the compensation and independence of such consultant or advisor;
- preparing, if required, the compensation committee report on executive compensation for inclusion in our annual report on Form 10-K and our annual proxy statement in accordance with SEC proxy and disclosure rules;
- monitoring our compliance with the requirements of Sarbanes-Oxley relating to loans to directors and officers;
- overseeing our compliance with applicable SEC rules regarding stockholder approval of certain executive compensation matters;
- reviewing and approving all employment contracts and other compensation, severance and change-in-control arrangements for our executive officers;
- establishing and periodically reviewing policies and procedures with respect to perquisites as they relate to our executive officers;
- reviewing the risks associated with our compensation policies and practices;
- overseeing and presenting to the Rallybio Board management's plans for succession to senior management positions based on guidelines developed and recommended by the Compensation Committee to the full Board;
- reviewing Rallybio's strategies, initiatives and programs with respect to Rallybio's management of human capital resources;
- reviewing and assessing, at least annually, the adequacy of the Compensation Committee's charter; and
- performing, on an annual basis, an evaluation of the performance of the Compensation Committee.

Pursuant to its charter, the Compensation Committee has the authority to delegate any of its responsibilities to subcommittees and has the authority to delegate to the Chief Executive Officer the determination of compensation to employees other than executive officers under approved compensation programs to the maximum extent permitted by applicable law. During the year ended December 31, 2025, the Compensation Committee met five times.

Compensation Consultant

The Compensation Committee has engaged Pearl Meyer & Partners, LLC ("Pearl Meyer"), as its independent compensation consultant. Pearl Meyer provides analysis and recommendations to the Compensation Committee regarding:

- trends and emerging topics with respect to executive compensation;
- compensation programs for our executive officers, directors and employees; and
- stock utilization and related metrics.

When requested, Pearl Meyer consultants attend meetings of the Compensation Committee, including executive sessions in which executive compensation-related matters are discussed without the presence of management. Pearl Meyer reports to the Compensation Committee and not to management, although Pearl Meyer meets with management for purposes of gathering information for its analyses and recommendations.

In determining to engage Pearl Meyer, the Compensation Committee considered the independence of Pearl Meyer, taking into consideration relevant factors, including the absence of other services provided to the Company by Pearl Meyer, the amount of fees the Company paid to Pearl Meyer as a percentage of Pearl Meyer's total revenue, the policies and procedures of Pearl Meyer that are designed to prevent conflicts of interest, any business or personal

relationship of the individual compensation advisors employed by Pearl Meyer with any executive officer of the Company, any business or personal relationship the individual compensation advisors employed by Pearl Meyer have with any member of the Compensation Committee, and any stock of the Company owned by Pearl Meyer or the individual compensation advisors employed by Pearl Meyer. The Compensation Committee has determined, based on its analysis and in light of all relevant factors, including the factors listed above, that the work of Pearl Meyer and the individual compensation advisors employed by Pearl Meyer as compensation consultants to the Compensation Committee has not created any conflicts of interest, and that Pearl Meyer is independent pursuant to the independence standards set forth in the Nasdaq listing standards promulgated pursuant to Section 10C of the Exchange Act.

Code of Business Conduct and Ethics

We have adopted a Code of Business Conduct and Ethics for our directors, officers and employees, including our Chief Executive Officer and President and our Chief Financial Officer. A copy of our Code of Business Conduct and Ethics may be accessed free of charge by visiting our website at www.rallybio.com and going to the "Governance" tab under the "Investors" section, or by requesting a copy in writing from our Secretary at our New Haven, Connecticut office. We intend to post on our website any amendment to, or waiver under, a provision of the Code of Business Conduct and Ethics that applies to our directors and certain of our executive officers within four business days following the date of such amendment or waiver.

Environmental, Social and Governance

We endeavor to develop and continuously execute on a scalable strategy that enables the Company to foster its culture and values, create positive social and environmental outcomes, and enhance our business. The Nominating and Corporate Governance Committee has been delegated oversight for such activities by the Rallybio Board. The Company seeks to integrate such considerations into its business in a manner that enhances long-term performance and value for stakeholders.

RALLYBIO EXECUTIVE OFFICER AND DIRECTOR COMPENSATION

Unless otherwise indicated or the context otherwise requires, references in this section to “Rallybio,” the “Company,” “we,” “us,” “our” and other similar terms refer to Rallybio and its subsidiaries.

Executive Compensation

Rallybio’s named executive officers for the year ended December 31, 2025 are:

- Stephen Uden, M.D., Chief Executive Officer and President;
- Jonathan I. Lieber, M.B.A., Chief Financial Officer and Treasurer; and
- Steven Ryder, M.D., Chief Medical Officer.

2025 Summary Compensation Table

The following table sets forth the compensation awarded to, earned by or paid to each of our named executive officers for the fiscal years ended December 31, 2025 and December 31, 2024.

NAME AND PRINCIPAL POSITION	YEAR	SALARY(\$)	STOCK AWARDS (\$)	OPTION AWARDS \$(⁽¹⁾)	NON-EQUITY INCENTIVE COMPENSATION PLAN \$(⁽³⁾)	ALL OTHER COMPENSATION \$(⁽⁴⁾)	TOTAL (\$)
Stephen Uden, M.D.	2025	590,000		298,988	259,600	8,380	1,156,969
<i>President and Chief Executive Officer</i>	2024	551,200		314,626	248,040	13,800	1,127,666
Jonathan I. Lieber	2025	478,400	104,688 ⁽²⁾	118,620	153,088	14,000	868,796
<i>Chief Financial Officer and Treasurer</i>	2024	478,400		174,792	172,224	13,800	839,216
Steven Ryder, M.D.	2025	531,227		118,620	201,866	14,000	865,713
<i>Chief Medical Officer</i>	2024	531,277		174,792	191,242	13,800	911,061

⁽¹⁾ The amounts shown in the “Option Awards” column represent the aggregate grant date fair value of options to purchase shares of Rallybio Common Stock granted to our named executive officers in fiscal years 2025 and 2024 computed in accordance with FASB ASC Topic 718, excluding the effect of estimated forfeitures. The assumptions used to value the options for this purpose are set forth in Note 7 to our consolidated financial statements included elsewhere in this proxy statement/prospectus.

⁽²⁾ The amounts shown in the “Stock Awards” column represents the grant date fair value of the performance-based stock units granted in 2025, based on the probable outcome of the performance conditions at grant. The grant date fair value of the award, assuming all performance conditions were satisfied at the maximum level is \$104,688. This award was subsequently cancelled and was not outstanding on December 31, 2025.

⁽³⁾ The amounts shown in the “Nonequity Incentive Plan Compensation” column represent annual bonuses earned with respect to fiscal years 2025 and 2024 under our annual bonus program as described below under “Annual incentive bonuses.”

⁽⁴⁾ The amounts shown in the “All Other Compensation” column for fiscal years 2025 and 2024 reflect 401(k) plan matching contributions, described below under “Employee and retirement benefits.”

Overview

The Compensation Committee of our Board of Directors is responsible for determining the compensation of named executive officers.

The Compensation Committee has engaged Pearl Meyer, an independent compensation consulting firm, to assist it in evaluating the Company’s executive and director compensation practices, including program design, identification of an appropriate peer group for compensation comparison purposes and providing pay benchmarking data. The Compensation Committee has assessed the independence of Pearl Meyer from management and, on the basis of that assessment and taking into consideration the independence factors that are required to be considered under applicable stock exchange rules, determined that no relationships exist that would create a conflict of interest or that would compromise Pearl Meyer’s independence.

Agreements with our named executive officers

In August 2023, Dr. Uden entered into a second amended and restated employment agreement with the Company and our operating company subsidiary, Rallybio, LLC, which sets forth the terms and conditions of Dr. Uden's continued employment with us.

At the time of his commencement of employment, Mr. Lieber entered into an employment agreement with the Company and Rallybio, LLC, which sets forth the terms and conditions of Mr. Lieber's employment with us.

On June 25, 2025, we entered into an employment agreement with Dr. Ryder.

The material terms of the agreements are described below. The terms "cause," "good reason" and "change in control" referred to below are defined in the respective named executive officer's agreement.

The employment agreements for Dr. Uden, Mr. Lieber and Dr. Ryder provide for an initial annual base salary, subject to review for increase by our Board of Directors or the Compensation Committee. Each employment agreement also provides for a target annual bonus as a percentage of annual base salary, with the actual amount of the bonus payable based upon the achievement of performance goals as determined by our Board of Directors or the Compensation Committee.

Base Salaries

Effective January 1, 2025, the annual base salary of Dr. Uden was increased from \$551,200 to \$590,000. The Compensation Committee reviewed pay benchmarking data for the Company's peer group and for the position of Chief Executive Officer and President held by Dr. Uden, and recommended, and the Board of Directors approved, Dr. Uden's 2025 base salary of \$590,000. The annual base salaries of Mr. Lieber and Dr. Ryder remained unchanged at \$478,400 and \$531,227, respectively, for fiscal year 2025.

Annual incentive bonuses

With respect to fiscal year 2025, each of our named executive officers was eligible to receive an annual bonus. For fiscal year 2025, the target bonus amount for Dr. Uden was 55% of his annual base salary. For fiscal year 2025, the target bonus amount for each of Mr. Lieber and Dr. Ryder was 40% of the named executive officer's annual base salary. Annual bonuses for fiscal year 2025 for our named executive officers were based on the attainment of pre-established corporate objectives as determined by the Compensation Committee and the Board of Directors. Following the end of fiscal year 2025, the Compensation Committee and the Board of Directors reviewed the Company's performance against these goals and determined that the performance goals for the named executive officers were achieved at 80% of target for Dr. Uden and Mr. Lieber and 95% of target for Dr. Ryder. Dr. Uden earned a bonus of \$259,600, Mr. Lieber earned a bonus of \$153,088 and Dr. Ryder earned a bonus of \$201,866.

Severance upon termination of employment; change in control; restrictive covenants

Employment Agreements for Dr. Uden and Mr. Lieber. Each of Dr. Uden and Mr. Lieber is entitled to severance payments and benefits in connection with certain qualifying terminations of employment under his respective employment agreement. In connection with the Merger, on March 1, 2026, each of Dr. Uden and Mr. Lieber entered into an amendment to his respective employment agreement to clarify that the Merger will constitute a "change in control" for purposes of each executive's employment agreement. As a result, the enhanced change-in-control severance benefits described below will become payable in the event of a qualifying termination following the Closing. If the executive officer's employment is terminated by us without cause, or by him for good reason, or as a result of our non-extension of the employment term, he will be entitled to receive (i) any earned and payable, but unpaid, prior year annual bonus (or current year bonus if the termination occurs on the last day of the calendar year), (ii) continued payment of his annual base salary for a period of 12 months following termination and (iii) subject to his timely election of COBRA coverage, payment of a monthly amount equal to the monthly health premiums paid by us on behalf of the executive officer and his eligible dependents immediately prior to termination for 12 months following termination (or, if earlier, until such time as the executive officer ceases to be eligible for COBRA coverage or obtains health coverage from another employer). If the executive officer's employment is terminated by reason of his death or disability, he will be entitled to receive (i) any earned and payable, but unpaid, prior year annual bonus (or current year bonus if the termination occurs on the last day of the calendar year) and (ii) continued payment of his annual base salary for a period of six months following termination.

If the executive officer's employment is terminated by us without cause or by him for good reason, or as a result of our non-extension of the employment term, in each case within the 12-month period following a change in control, which includes the Merger, in lieu of the severance payments and benefits described above, he will be entitled to receive (i) any earned and payable, but unpaid, prior year annual bonus (or current year bonus if the termination occurs on the last day of the calendar year), (ii) an amount equal to 1.5 times the sum of the executive officer's annual base salary and target annual bonus, payable over 18 months following termination, (iii) subject to his timely election of COBRA coverage, payment of a monthly amount equal to the monthly health premiums paid by us on behalf of the executive officer and his eligible dependents immediately prior to termination for 18 months following termination (or, if earlier, until such time as the executive officer ceases to be eligible for COBRA coverage or obtains health coverage from another employer), and (iv) in the case of Mr. Lieber, full vesting of any outstanding and unvested equity awards, the vesting of which is based only on the passage of time, held by Mr. Lieber as of the date of termination. With respect to Dr. Uden, under his second amended and restated employment agreement, any outstanding and unvested equity awards, the vesting of which is based only on the passage of time, held by him as of a change in control will vest in full upon the consummation of the change in control, subject to Dr. Uden's continued employment with us through the date of such change in control.

On March 1, 2026, we and Dr. Uden and Mr. Lieber entered into amendments to their respective employment agreements to clarify that the Merger will constitute a "change in control" for purposes of the agreement. As a result, the enhanced change-in-control severance benefits described above will be triggered in the event of a qualifying termination following the closing of the Merger.

Employment Agreement for Dr. Ryder. On June 25, 2025, we entered into an employment agreement with Dr. Ryder, pursuant to which Dr. Ryder serves as our Chief Medical Officer at an initial annual base salary of \$531,227 and is eligible to receive an annual target bonus of up to 40% of his base salary. Dr. Ryder serves for an initial one-year term, which automatically extends for successive one-year terms unless either we or Dr. Ryder elects not to extend the term by giving the other party at least 60 days' notice prior to the end of the current term.

If Dr. Ryder's employment is terminated by us without cause, by him for good reason, or as a result of our non-extension of the employment term, he will be entitled to receive (i) any earned but unpaid annual bonus for a calendar year ending on or preceding the date of termination, (ii) continued payment of his annual base salary for a period of 12 months following termination, and (iii) subject to his timely election of COBRA coverage, payment of a monthly amount equal to the monthly health premiums paid by us on behalf of Dr. Ryder and his eligible dependents for 12 months following termination (or, if earlier, until such time as Dr. Ryder ceases to be eligible for COBRA coverage or obtains health coverage from another employer). If Dr. Ryder's employment is terminated by reason of his death or disability, he will be entitled to receive (i) any earned but unpaid prior year annual bonus and (ii) continued payment of his annual base salary for a period of six months following termination.

If Dr. Ryder's employment is terminated by us without cause, by him for good reason, or as a result of our non-extension of the employment term, in each case within the 12-month period following a change in control, which includes the Merger, in lieu of the severance payments and benefits described above, he will be entitled to receive (i) any earned but unpaid prior year annual bonus, (ii) an amount equal to 1.5 times the sum of his annual base salary and target annual bonus, payable over 18 months following termination, (iii) subject to his timely election of COBRA coverage, payment of a monthly amount equal to the monthly health premiums paid by us on behalf of Dr. Ryder and his eligible dependents for 18 months following termination (or, if earlier, until such time as Dr. Ryder ceases to be eligible for COBRA coverage or obtains health coverage from another employer), and (iv) full vesting of any outstanding and unvested equity awards, the vesting of which is based only on the passage of time, held by Dr. Ryder as of the date of termination.

On March 1, 2026, we and Dr. Ryder entered into an amendment to his employment agreement to clarify that the Merger will constitute a "change in control" for purposes of the agreement. As a result, the enhanced change-in-control severance benefits described above will be triggered in the event of a qualifying termination following the Closing.

Severance Subject to Release of Claims. Our obligation to provide a named executive officer with severance payments and other benefits under his respective employment agreement is conditioned on the executive officer signing a release of claims in favor of us.

Restrictive Covenants. Under their respective employment agreements, each of the named executive officers has agreed not to compete with us during his employment and for one year following his termination of employment or solicit our customers, employees, representatives, agents, vendors, joint venturers or licensors during his employment and for one year following his termination of employment. In addition, each named executive officer has agreed to a perpetual non-disparagement covenant. Each of the named executive officers is also party to a Confidential Information and Invention Assignment Agreement under which each named executive officer has agreed to a perpetual confidentiality covenant and an assignment of intellectual property covenant.

Better-of Provision. The employment agreements with each of the named executive officers also contain a Section 280G “better of” cutback provision, pursuant to which any payments or benefits that would constitute “parachute payments” within the meaning of Section 280G of the Code will be reduced to the extent necessary to avoid the imposition of the excise tax under Section 4999 of the Code, but only if such reduction would result in a greater after-tax benefit to the named executive officer.

Employee and retirement benefits

We currently provide broad-based health and welfare benefits that are available to all of our employees, including our named executive officers, including health, life and AD&D, disability, vision and dental insurance. We maintain a tax-qualified retirement plan (“401(k) Plan”), for our full-time employees, including our named executive officers. The 401(k) Plan provides eligible U.S. employees with an opportunity to save for retirement on a tax advantaged basis. Eligible employees are able to defer eligible compensation subject to applicable annual limits provided for in the Internal Revenue Code (the “Code”). We make matching contributions into the 401(k) Plan on behalf of participants, equal to up to 3% of eligible compensation. Employees’ pre-tax contributions are allocated to each participant’s individual account and are then invested in selected investment alternatives according to the participants’ directions. Employees are immediately and fully vested in their contributions. Our 401(k) Plan is intended to be qualified under Section 401(a) of the Code with our 401(k) Plan’s related trust intended to be tax exempt under Section 501(a) of the Code. As a tax-qualified retirement plan, contributions to our 401(k) Plan and earnings on those contributions are not taxable to the employees until distributed from our 401(k) Plan.

Insider Trading Policy

The Company adopted an insider trading policy in connection with the Company’s initial public offering in August 2021. The insider trading policy prohibits our officers, directors, and employees from purchasing or selling the Company’s securities while in possession of material, nonpublic information, prohibits any hedging, short sales or pledging transactions with respect to the Company’s securities by directors, officers and all employees, and includes requirements regarding Rule 10b5-1 plans. In addition, it is the Company’s policy to comply with all applicable securities laws when transacting in its own securities.

Clawback

In accordance with the requirements of the Dodd-Frank Act, SEC rules and Nasdaq listing standards, we maintain a clawback policy that requires recoupment of erroneously-awarded incentive compensation received by current or former executive officers in the event we are required to prepare an accounting restatement due to material noncompliance with any financial reporting requirement under applicable securities laws.

Equity compensation

In fiscal year 2025, Dr. Uden was granted an option to purchase 56,711 shares of our common stock under the 2021 Plan, which vests in 48 equal monthly installments over four years, with a grant date fair value of \$298,988. Mr. Lieber and Dr. Ryder were each granted an option to purchase 22,499 shares of our common stock under the 2021 Plan, which vests in 48 equal monthly installments over four years, with a grant date fair value of \$118,620 each. Each of these options was granted on February 14, 2025 with a per share exercise price of \$6.08, the closing price of a share of our common stock on the date of grant (as adjusted for the 1-for-8 reverse stock split effective February 6, 2026). In each case, vesting is generally subject to the named executive officer’s continued employment with us through the applicable vesting date.

On January 29, 2025, Mr. Lieber was granted 15,000 performance-based restricted stock units (“PSUs”) under the 2021 Plan. The January 2025 PSUs were subsequently cancelled during fiscal year 2025 and were not outstanding as of December 31, 2025.

On February 18, 2026, Mr. Lieber was granted 5,000 PSUs under the 2021 Plan. Of the 5,000 PSUs, 2,500 vested on the date of grant. The remaining 2,500 PSUs (the "CIC PSUs") will vest on the six-month anniversary of a Change in Control, which includes the Merger, but only if a Change in Control is consummated on or before December 31, 2026, subject to Mr. Lieber's continued employment with the Company from the date of grant through the vesting date. If a Change in Control has not occurred on or before December 31, 2026, the CIC PSUs will be automatically forfeited for no consideration.

The Compensation Committee generally grants options annually to executives and seeks to make such grants on or around the same date each year. Throughout the year, equity awards may be made to new hires or in connection with promotions or other changes in employment, or, as in the case of the February 2026 PSU grant, in connection with a pending transaction. The Compensation Committee does not grant equity-based awards in anticipation of the release of material nonpublic information and does not time the disclosure of material nonpublic information for purposes of affecting the value of executive compensation. In addition, during 2025, we did not grant options to any named executive officer during the four business days prior to or the one business day following the filing of a periodic report on Form 10-Q or Form 10-K, or the filing or furnishing of a Form 8-K that discloses material nonpublic information.

Outstanding Equity Awards at Fiscal 2025 Year-End

The following table sets forth information regarding outstanding equity awards held by our named executive officers as of the end of fiscal year 2025 (as adjusted for the 1-for-8 reverse stock split effective February 6, 2026):

NAME	OPTION AWARDS			
	NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS	NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS	OPTION EXERCISE PRICE (\$)	OPTION EXPIRATION DATE
	(#) EXERCISABLE	(#) UNEXERCISABLE		
Stephen Uden, M.D.	20,000	—	104.00	7/28/2031 ⁽²⁾
	7,428	322 ⁽¹⁾	120.32	2/7/2032 ⁽³⁾
	18,952	7,798 ⁽¹⁾	52.00	2/6/2033 ⁽⁴⁾
	12,384	14,615 ⁽¹⁾	14.88	2/15/2034 ⁽⁵⁾
	11,821	44,890 ⁽¹⁾	6.08	2/14/2035 ⁽⁶⁾
Jonathan I. Lieber	21,254	8,745	54.48	2/1/2033 ⁽⁷⁾
	6,880	8,119 ⁽¹⁾	14.88	2/15/2034 ⁽⁸⁾
	4,690	17,809 ⁽¹⁾	6.08	2/14/2035 ⁽⁹⁾
Steven Ryder, M.D.	20,000	—	104.00	7/28/2031 ⁽²⁾
	7,428	322 ⁽¹⁾	120.32	2/7/2032 ⁽³⁾
	10,543	4,331 ⁽¹⁾	52.00	2/6/2033 ⁽¹⁰⁾
	6,880	8,119 ⁽¹⁾	14.88	2/15/2034 ⁽⁸⁾
	4,690	17,809 ⁽¹⁾	6.08	2/14/2035 ⁽⁹⁾

⁽¹⁾ Each stock option vests in 48 equal monthly installments over four years from the date of grant, generally subject to the named executive officer's continued employment with the Company through each applicable vesting date. See "Severance upon termination of employment; change in control; restrictive covenants."

⁽²⁾ Represents an option to purchase 20,000 shares of our common stock, granted on July 28, 2021, which vested as to 25% of the underlying shares on July 28, 2022. The remaining 75% of the underlying shares vest in 36 equal monthly installments thereafter, generally subject to the named executive officer's continued employment or service with us through the applicable vesting date.

⁽³⁾ Represents an option to purchase 7,750 shares of our common stock, granted on February 7, 2022, which vests in 48 equal monthly installments, generally subject to the named executive officer's continued employment or service with us through the applicable vesting date.

⁽⁴⁾ Represents an option to purchase 26,750 shares of our common stock, granted on February 6, 2023, which vests in 48 equal monthly installments, generally subject to the named executive officer's continued employment or service with us through the applicable vesting date.

⁽⁵⁾ Represents an option to purchase 26,999 shares of our common stock, granted on February 15, 2024, which vests in 48 equal monthly installments, generally subject to the named executive officer's continued employment or service with us through the applicable vesting date.

- (6) Represents an option to purchase 56,711 shares of our common stock, granted on February 14, 2025, which vests in 48 equal monthly installments, generally subject to the named executive officer's continued employment or service with us through the applicable vesting date.
- (7) Represents an option to purchase 29,999 shares of our common stock, granted on February 1, 2023, which vested as to 25% of the underlying shares of common stock on February 1, 2024 and vests as to the remaining 75% of the underlying shares of common stock in 36 equal monthly installments thereafter, generally subject to the named executive officer's continued employment with us through the applicable vesting date.
- (8) Represents an option to purchase 14,999 shares of our common stock, granted on February 15, 2024, which vests in 48 equal monthly installments, generally subject to the named executive officer's continued employment with us through the applicable vesting date.
- (9) Represents an option to purchase 22,499 shares of our common stock, granted on February 14, 2025, which vests in 48 equal monthly installments, generally subject to the named executive officer's continued employment with us through the applicable vesting date.
- (10) Represents an option to purchase 14,874 shares of our common stock, granted on February 6, 2023, which vests in 48 equal monthly installments, generally subject to the named executive officer's continued employment or service with us through the applicable vesting date.

Director compensation

The following table sets forth the compensation awarded to, earned by or paid to our non-employee directors during the fiscal year ended December 31, 2025. Dr. Uden did not receive compensation for his service as a director in 2025. His compensation for 2025 is included in the Summary Compensation Table above.

NAME	FEES EARNED OR PAID IN CASH (\$) ⁽¹⁾	OPTION AWARDS (\$) ⁽²⁾	ALL OTHER COMPENSATION (\$)	TOTAL (\$)
Helen M. Boudreau, M.B.A.	55,000	7,228 ⁽⁴⁾		62,228
Wendy Chung, M.D., Ph.D.	44,000	7,228 ⁽⁴⁾		51,228
Robert Hopfner, R.Ph., Ph.D., M.B.A.	51,500 ⁽³⁾	7,228 ⁽⁴⁾		58,728
Ronald Hunt, M.B.A.	51,500 ⁽³⁾	7,228 ⁽⁴⁾		58,728
Lucian Iancovici, M.D. ⁽⁵⁾	—	—		—
Hui Liu Ph.D., M.B.A.	47,500 ⁽³⁾	7,228 ⁽⁴⁾		54,728
Christine A. Nash, M.B.A.	52,600	7,228 ⁽⁴⁾		59,828
Martin Mackay, Ph.D.	65,000 ⁽³⁾	7,228 ⁽⁴⁾	225,000 ⁽⁶⁾	297,228
Paula Soteropoulos	75,500	7,228 ⁽⁴⁾		82,728

- (1) The amounts reported in this column represent cash fees earned in fiscal year 2025, including amounts that certain non-employee directors elected to receive in the form of an option to purchase shares of our common stock as noted by footnote 4. Non-employee directors may elect to receive their annual cash retainer in the form of an option to purchase shares of our common stock, which vests in 12 equal monthly installments on the last day of each month during such calendar year, subject to the director's continued service on our Board of Directors. The grant date of these in-lieu-of-cash options was January 2, 2025 and the number of options granted to each non-employee director was based on their annual fees to be earned and the grant date fair value of the option to purchase shares of common stock computed in accordance with FASB ASC Topic 718, excluding the effect of estimated forfeitures. The assumptions used to value the options for this purpose are set forth in Note 7 to our consolidated financial statements included elsewhere in this proxy statement/prospectus.
- (2) The amounts reported in this column represent the grant date fair value of options to purchase shares of our common stock granted to our non-employee directors in May 2025, computed in accordance with FASB ASC Topic 718, excluding the effect of estimated forfeitures. The assumptions used to value the options for this purpose are set forth in Note 7 to our consolidated financial statements included elsewhere in this proxy statement/prospectus. As of December 31, 2025, the following non-employee directors held the following number of option awards: Ms. Boudreau—10,920; Dr. Chung—11,713; Dr. Hopfner—20,896; Mr. Hunt—25,920; Dr. Liu—20,961; Ms. Nash—11,200; Dr. Mackay—96,668; and Ms. Soteropoulos—11,591. Dr. Iancovici did not hold any stock options as of December 31, 2025. As of December 31, 2025, none of the non-employee directors held unvested restricted stock awards.
- (3) The non-employee director elected to receive his or her annual cash retainer in the form of an option to purchase shares of our common stock. The terms of the option to purchase shares of our common stock are described below under "Director compensation policy".
- (4) Represents the grant date fair value of the annual stock option grant to purchase 3,562 shares of our common stock under the 2021 Plan, granted on May 13, 2025 at a per share exercise price of \$2.38. The annual option vests in full on the earlier of the first anniversary of the date of grant or the next annual meeting of our stockholders, subject to the director's continued service on the Board of Directors through the vesting date.

(5) Dr. Iancovici declined to accept a stock option grant or a cash retainer in respect of his service as a director in 2025.

(6) Represents consulting fees paid to Dr. Mackay pursuant to his consulting agreement with the Company and Rallybio, LLC, effective January 1, 2025, at a rate of \$18,750 per month (\$225,000 for the full year).

Director compensation policy

The Board of Directors adopted a non-employee director compensation policy for members of our Board of Directors. In December 2024, the Board of Directors updated the non-employee director compensation policy for compensation payable in 2025. Under the non-employee director compensation policy applicable to 2025 director compensation to the extent not updated as described below, our non-employee directors were and are compensated as follows:

- each non-employee director receives an annual cash fee of \$40,000 (\$65,000 for the chair of our Board of Directors and \$63,500 for the lead director, if applicable);
- each non-employee director who is a member of the Audit Committee receives an additional annual cash fee of \$7,500 (\$15,000 for the Audit Committee chair);
- each non-employee director who is a member of the Compensation Committee receives an additional annual cash fee of \$6,000 (\$12,000 for the Compensation Committee chair);
- each non-employee director who is a member of the Nominating and Corporate Governance Committee receives an additional annual cash fee of \$4,000 (\$8,000 for the Nominating and Corporate Governance Committee chair);
- each non-employee director will annually be granted an option to purchase 3,562 shares (as adjusted for the 1-for-8 reverse stock split effective February 6, 2026) of our common stock under the 2021 Plan on the date of the first meeting of our Board of Directors held after the annual meeting of our stockholders, prorated for non-employee directors initially elected or appointed to our Board of Directors during the 12 months preceding the grant date to reflect the number of months of service during such 12-month period.

Prior to January 1st of any year, a non-employee director may elect to receive his or her annual cash retainer in the form of an option to purchase shares of our common stock, which is expected to vest in 12 equal monthly installments, on the last day of each month during such calendar year, subject to the director's continued service on our Board of Directors through each applicable vesting date. Four of our non-employee directors made such an election with respect to their 2025 cash retainers.

The stock options granted to our non-employee directors will have a per share exercise price equal to the closing price of a share of our common stock on the date of grant (or the immediately preceding date on which a closing price was reported if there is no closing price on the date of grant) and will expire not later than ten years after the date of grant. The stock option granted to a non-employee director upon the non-employee director's initial election or appointment to our Board of Directors will vest in three equal annual installments, subject to the director's continued service on our Board of Directors through each applicable vesting date. The annual stock options granted to our non-employee directors will vest in full on the earlier of the first anniversary of the date of grant or the next annual meeting of our stockholders, subject to the director's continued service on our Board of Directors through the vesting date. Upon a change in control (as defined in the 2021 Plan (or as such term or similar term is defined in any successor plan)), each initial stock option and each annual stock option that is then outstanding will vest in full, subject to the director's continued service on our Board of Directors through such change in control.

All cash fees will be paid quarterly, in arrears, or upon the earlier resignation or removal of the non-employee director. The amount of each payment will be prorated for any portion of a calendar quarter that a non-employee director is not serving on our Board of Directors, based on the number of calendar days served by such non-employee director.

Each non-employee director is entitled to reimbursement for reasonable travel and other expenses incurred in connection with attending meetings of our Board of Directors and any committee on which he or she serves.

The Compensation Committee reviews and makes recommendations to our Board of Directors regarding the non-employee director compensation arrangements, and the Board of Directors reviews and approves non-employee director compensation. The Compensation Committee considers information regarding director compensation paid at peer companies, including an evaluation of such compensation practices by the Compensation Committee's

compensation consultant. In December 2025 following a recommendation from the Compensation Committee, the Board of Directors did not make any changes to the non-employee director compensation policy, applicable to 2026 director compensation, except the annual option to purchase shares of our common stock was increased from an option to purchase 3,562 shares of our common stock to an option to purchase 3,750 shares of our common stock (in each case, as adjusted for the 1-for-8 reverse stock split effective February 6, 2026).

CANDID EXECUTIVE OFFICER AND DIRECTOR COMPENSATION

This section provides an overview of Candid's executive compensation programs as they relate to the executive officers named below who are expected to become executive officers of the combined company ("named executive officers"), including a narrative description of the material factors necessary to understand the information disclosed in the summary compensation table below. For the year ended December 31, 2025, Candid's named executive officers were:

- Ken Song, M.D., Candid's President and Chief Executive Officer and Chairman of the Board of Directors;
- Tim Lu, M.D., Ph.D., Candid's Chief Medical Officer and Chief Scientific Officer; and
- Arvind Kush, Candid's Chief Financial Officer and Chief Business Officer.

2025 Summary Compensation Table

The following table sets forth information regarding compensation earned with respect to the years ended December 31, 2025 and 2024 by Candid's named executive officers.

NAME AND PRINCIPAL POSITION	YEAR	SALARY (\$)	STOCK AWARDS (\$) ⁽¹⁾⁽²⁾	OPTION AWARDS (\$) ⁽¹⁾⁽³⁾	NON-EQUITY INCENTIVE PLAN COMPENSATION (\$) ⁽⁴⁾	ALL OTHER COMPENSATION (\$)	TOTAL (\$)
Ken Song, M.D.	2025	550,000	—	2,407,326	302,500	—	3,259,826
<i>President and Chief Executive Officer</i>	2024	275,000	—	5,493,018	138,630	—	5,906,648
Tim Lu, M.D., Ph.D.	2025	500,000	—	288,879	287,500	—	1,076,379
<i>Chief Medical Officer and Chief Scientific Officer</i>	2024	222,222	—	659,162	111,644	—	993,028
Arvind Kush	2025	425,000	—	240,733	170,000	—	835,733
<i>Chief Financial Officer and Chief Business Officer</i>	2024	181,510	—	549,302	72,658	—	803,470

(1) Amounts reflect the aggregate grant date fair value of the stock awards and option awards granted during the applicable year computed in accordance with Financial Accounting Standards Board, Accounting Standards Codification Topic 718, *Compensation—Stock Compensation* ("FASB ASC 718"). Assumptions used in the calculation of the grant date fair value of each stock award and option award granted are described in Note 8 to Candid's audited consolidated financial statements and notes appearing elsewhere in this proxy statement/prospectus. These amounts do not reflect the actual economic value that may be realized by Candid's named executive officers upon the vesting of the stock awards or option awards, the exercise of the option awards, or any subsequent sale of common stock underlying such stock awards or option awards.

(2) Represents a grant of a restricted stock award in the applicable year.

(3) Amounts for 2025 reflect the grant date fair value of the Replacement Options (as defined below) and the amounts for 2024 reflect the grant date fair value of the Cancelled Options (as defined below). The Cancelled Options were performance-based options that were not probable of vesting at the date the Replacement Options were issued, and, as a result, the grant date fair value of the Replacement Options replaced the grant date fair value of the Cancelled Options. See "*Equity-Based Incentive Awards*" below for more information.

(4) Amounts represent the annual cash performance bonus earned in the applicable year. Please see the description of bonus compensation under "*Bonus Opportunity*" below.

Narrative to the Summary Compensation Table

Annual Base Salary

The base salary of Candid's named executive officers is generally determined and approved by the Candid Board in connection with the commencement of employment of the named executive officer and may be adjusted from time to time thereafter as the Candid Board determines appropriate. The 2025 annual base salaries for Dr. Song, Dr. Lu and Mr. Kush were \$550,000, \$500,000 and \$425,000, respectively.

Bonus Opportunity

In addition to base salaries, each of Candid's named executive officers is eligible to earn annual cash bonuses, which are designed to provide appropriate incentives to Candid's named executive officers to achieve defined annual corporate goals and to reward Candid's named executive officers for individual achievements towards these goals. The annual bonus awarded to each named executive officer may be based in part on the extent to which Candid achieves corporate goals. At the end of the year, the Candid Board reviews Candid's performance against each corporate goal and considers the extent to which Candid achieved each of its corporate goals. The Candid board of directors also generally considers each named executive officer's individual contributions toward reaching these goals. The bonus amounts vary from year to year based on corporate performance.

For 2025, each of Dr. Song, Dr. Lu and Mr. Kush was eligible for a target bonus equal to 50%, 50% and 40% of their base salary, respectively. In December 2025, the Candid Board determined that Candid achieved 110% of its 2025 corporate goals and approved payment of an aggregate amount equivalent to 110% of each named executive officer's 2025 target bonus which was allocated among employees at a range of 100% to 120% of their target bonus at management's discretion. As a result, Dr. Song received a cash bonus of \$302,500, Dr. Lu received a cash bonus of \$287,500, and Mr. Kush received a cash bonus of \$170,000, representing bonus achievement of 110%, 115% and 100%, respectively.

Equity-Based Incentive Awards

Candid's equity-based incentive awards are designed to align Candid's named executive officers' interests with those of its stockholders and to retain and incentivize Candid's named executive officers over the long-term. To date, Candid has used stock option grants, restricted stock awards and sales of restricted stock for this purpose because it believes they are an effective means by which to align the long-term interests of its executive officers with those of its stockholders. Each stock option award and restricted stock award was granted under the Candid 2024 and, prior to the adoption of the Candid 2024 Plan, restricted stock was sold pursuant to common stock purchase agreements, as described below in the Outstanding Equity Awards at Fiscal Year End table below. The terms of the Candid 2024 Plan are described below under the subsection titled "*Equity Incentive Plan*."

the Candid Board or an authorized committee thereof is responsible for approving equity grants. Vesting of equity awards is generally tied to continuous service with Candid and serves as an additional retention measure. Candid's named executive officers generally are awarded an initial new hire grant upon commencement of employment. Additional grants may occur periodically in order to specifically incentivize Candid's named executive officers with respect to achieving certain corporate goals or to reward Candid's named executive officers for exceptional performance.

In May 2025, the Candid board of directors cancelled option awards to purchase (i) 10,000,000 shares of Candid Common Stock held by Dr. Song's trust, The Song Family Trust Dated October 14, 2016 (the "Song Family Trust"), (ii) 1,200,000 shares of Candid Common Stock granted to Dr. Lu and (iii) 1,000,000 shares of Candid Common Stock granted to Mr. Kush (collectively, the "Cancelled Options"). The Cancelled Options were originally granted in November 2024 with an exercise price of \$0.70 per share and vested, if at all, upon an IPO liquidity-event based performance condition, subject to the grantee's Continuous Service (as defined in the Candid 2024 Plan) with Candid as of such date. In May 2025, the Candid Board approved replacement option awards to purchase (i) 10,000,000 shares of Candid Common Stock to Dr. Song's trust, the Song Family Trust, (ii) 1,200,000 shares of Candid Common Stock to Dr. Lu and (iii) 1,000,000 shares of Candid Common Stock to Mr. Kush (collectively, the "Replacement Options"). The Replacement Options have an exercise price of \$0.35 per share and vest as follows: (a) in the event there is a liquidity event that is a change of control that meets certain requirements (the "CIC Liquidity Event"), then 100% of the total shares will vest immediately prior to and contingent upon the closing of such transaction and (b) in the event there is a liquidity event that meets certain public listing requirements (the "Public Listing Liquidity Event" and, together with the CIC Liquidity Event, a "Liquidity Event"), then 12/48th of the total shares will vest on the one year anniversary of the date of the Public Listing Liquidity Event, and 1/48th of the total shares will vest each month thereafter on the same day of the month as the vesting commencement date (or if there is no corresponding day, on the last day of the month), subject to the grantee's Continuous Service with Candid as of each such date and subject to the occurrence of such Public Listing Liquidity Event on or before December 31, 2026. Upon the Closing Date, the Replacement Options will begin vesting in accordance with subsection (b). For more information see the Outstanding Equity Awards at Fiscal Year End table below.

Employment Arrangements with Candid's Named Executive Officers

Dr. Song. In July 2024, Candid entered into an offer letter with Dr. Song, which governs the terms of his employment with Candid. Pursuant to his offer letter, Dr. Song is entitled to an annual base salary of \$550,000, and is eligible to receive an annual target bonus of up to 50% of his annual base salary, payable based on the achievement of individual or corporate performance goals as determined by the Candid board of directors. Dr. Song is also eligible for standard benefits such as paid time off, reimbursement of business expenses, and participation in employee benefit plans and programs. Dr. Song's employment is at will.

Dr. Lu. In July 2024, Candid entered into an offer letter with Dr. Lu, which governs the terms of his employment with Candid. Pursuant to his offer letter, Dr. Lu is entitled to an annual base salary of \$500,000, and is eligible to receive an annual target bonus of up to 50% of his annual base salary, payable based on the achievement of individual or corporate performance goals as determined by the Candid board of directors. Dr. Lu is also eligible for standard benefits such as paid time off, reimbursement of business expenses, and participation in employee benefit plans and programs. Dr. Lu's employment is at will.

Mr. Kush. In July 2024, Candid entered into an offer letter with Mr. Kush, which governs the terms of this employment with Candid. Pursuant to his offer letter, Mr. Kush is entitled to an annual base salary of \$425,000, and is eligible to receive an annual target bonus of up to 40% of his annual base salary, payable based on the achievement of individual or corporate performance goals as determined by the Candid board of directors. Mr. Kush is also eligible for standard benefits such as paid time off, reimbursement of business expenses, and participation in employee benefit plans and programs. Mr. Kush's employment is at will.

Potential Payments Upon Termination or Change in Control

Regardless of the manner in which a named executive officer's service terminates, each named executive officer is entitled to receive amounts earned during his term of service, including unpaid salary and unused vacation.

In addition, each of Candid's named executive officers' equity awards is subject to the terms of (i) the Candid 2024 Plan and award agreement thereunder or (ii) the relevant common stock purchase agreement, as applicable. A description of the termination and change in control provisions in the Candid 2024 Plan and awards granted thereunder is provided in the subsection titled "*Equity Incentive Plan*" below, and a description of the vesting provisions of each equity award held by Candid's named executive officers which is outstanding and unvested as of December 31, 2025 is provided the Outstanding Equity Awards at Fiscal Year End table below.

Under the common stock purchase agreements with the Song Family Trust and Dr. Song and Mr. Kush, if within one month before or 12 months following a change in control, such named executive officer's employment or service to Candid is involuntarily terminated by Candid without cause, or such named executive officer resigns for good reason, and in either case other than as a result of death or disability, and provided such termination constitutes a "separation from service" within the meaning of Treasury Regulation Section 1.409A-1(h), the repurchase option with respect to such restricted shares of Candid Common Stock will lapse as to 100% of any unvested shares and such unvested shares will immediately become fully vested.

For purposes of the common stock purchase agreements:

- "change in control" generally has the same meaning given to such term in the Candid 2024 Plan, as described below;
- "cause" means any of the following: (i) commission of any felony or any crime involving moral turpitude or dishonesty, (ii) participation in a fraud or act of dishonesty against Candid, (iii) willful and material breach of duties that has not been cured within 30 days after written notice from the Candid board of directors of such breach, (iv) intentional and material damage to Candid's property, or (v) material breach of such named executive officer's employee confidential information and inventions assignment agreement; and
- "good reason" means any of the following actions taken by Candid or a successor corporation or entity without the named executive officer's consent (unless such action is taken in response to conduct by such named executive officer that constitutes cause): (i) material reduction of such named executive officer's base compensation, other than a reduction that applies generally to all executives and does not exceed

10%; (ii) material reduction in such named executive officer's authority, duties or responsibilities, provided that a change in job position (including a change in title) will not be deemed a "material reduction" unless such named executive officer's new authority, duties or responsibilities are materially reduced from the prior authority, duties or responsibilities; (iii) failure or refusal of a successor to Candid to materially assume Candid's obligations under the agreement; or (iv) relocation of such named executive officer's principal place of employment that results in an increase in such named executive officer's one-way driving distance by more than 50 miles from such named executive officer's then current principal residence; provided that if such named executive officer works remotely during any period in which such named executive officer's regular principal place of employment at a Candid office is closed, then neither such named executive officer's relocation to remote work or back to the office from remote work will be considered a relocation of such named executive officer's principal place of employment with Candid for purposes of this definition.

Following the Merger, Candid anticipates that the combined company board of directors will adopt a Severance and Change in Control Plan (the "Severance Plan"), which each of Candid's named executive officers will become eligible to receive certain benefits under the terms of the Severance Plan. Following its effectiveness, the terms of the Severance Plan will supersede the change in control benefits set forth in the common stock purchase agreements with the Song Family Trust and Dr. Song and Mr. Kush.

Outstanding Equity Awards at Fiscal Year End

The following table sets forth certain information regarding equity awards granted to Candid's named executive officers that remain outstanding as of December 31, 2025. In addition, awards may vest on an accelerated basis under certain circumstances, as described above under "— Potential Payments upon Termination or Change in Control."

⁽¹⁾ In connection with the named executive officer's services to Candid, Candid issued and sold shares of Candid Common Stock to Mr. Kush and the Song Family Trust pursuant to common stock purchase agreements at a purchase price of \$0.0000018 per share.

⁽²⁾ All of the equity awards were granted under the Candid 2024 Plan. All of the option awards were granted with a per share exercise price equal to the fair value of one share of Candid Common Stock on the date of grant, as determined in good faith by the Candid Board. Dr. Lu paid \$0.0000018 per share for the shares of Candid Common Stock underlying his restricted stock award.

⁽³⁾ The shares of Candid Common Stock are subject to a repurchase option such that 12/48th of the shares issued and sold to the named executive officer vested and were released from the repurchase option on the one-year anniversary of the vesting commencement date, and 1/48th of the unvested shares vest and are released from the repurchase option on a monthly basis thereafter, subject to the named executive officer's Continuous Service to Candid as of the date of such release.

⁽⁴⁾ The vesting commencement date is the Closing Date. The options will vest as follows: 12/48th of the total shares will vest on the one year anniversary of the date of the Public Listing Liquidity Event, and 1/48th of the total shares will vest each month thereafter on the same day of the month as the vesting commencement date (or if there is no corresponding day, on the last day of the month), subject to grantee's Continuous Service with Candid as of each such date and subject to the occurrence of the Closing on or before December 31, 2026.

⁽⁵⁾ The amount is calculated using a value of \$0.37 per share, which is the fair value Candid used for financial reporting purposes as of such date.

Nonqualified Deferred Compensation

Candid does not maintain nonqualified defined contribution plans or other nonqualified deferred compensation plans. The Candid Board may elect to provide its officers and other employees with nonqualified defined contribution or other nonqualified deferred compensation benefits in the future if it determines that doing so is in its best interests.

Perquisites, Health, Welfare and Retirement Benefits

Each of Candid's named executive officers are eligible to participate in Candid's employee benefit plans, including its medical, dental, vision, life, long term disability and accidental death and dismemberment insurance plans, in each case on the same basis as all of Candid's other employees. In addition, Candid provides the opportunity to participate in a 401(k) plan to its employees, including each of Candid's named executive officers, as discussed in the subsection below titled "*401(k) plan*." Candid generally does not provide perquisites or personal benefits to its executive officers, except in limited circumstances.

401(k) plan

Candid's named executive officers are eligible to participate in a defined contribution retirement plan that provides eligible U.S. employees with an opportunity to save for retirement on a tax-advantaged basis. Eligible employees may defer eligible compensation on a pre-tax or after-tax ("Roth") basis, up to the statutorily prescribed annual limits on contributions under the Code. Individual's contributions are allocated to each participant's individual account and are then invested in selected investment alternatives according to the participants' directions. The 401(k) plan is intended to be qualified under Section 401(a) of the Code with the 401(k) plan's related trust intended to be tax exempt under Section 501(a) of the Code. As a tax-qualified retirement plan, contributions to the 401(k) plan (except for Roth contributions) and earnings on those contributions are not taxable to the employees until distributed from the 401(k) plan. Candid may elect, at its discretion, to make matching employee contributions.

Clawback Policy

Following the Merger, Candid expects the combined company to adopt a new compensation recovery policy that is compliant with the Nasdaq Listing Rules, as required by the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank Act").

Equity Incentive Plan

Candid believes that its ability to grant equity-based awards is a valuable and necessary compensation tool that aligns the long-term financial interests of its employees, consultants and directors with the financial interests of its stockholders. In addition, Candid believes that its ability to grant equity-based awards helps Candid to attract, retain and motivate employees, consultants and directors, and encourages them to devote their best efforts to Candid's business and financial success. The principal features of the Candid 2024 Plan are summarized below. This summary is qualified in its entirety by reference to the actual text of the Candid 2024 Plan, which is filed as an exhibit to this proxy statement/prospectus.

Candid 2024 Equity Incentive Plan

The Candid Board adopted and Candid stockholders approved the Candid Therapeutics, Inc. 2024 Equity Incentive Plan (the "Candid 2024 Plan") in May 2024. Candid most recently amended the Candid 2024 Plan in August 2024. The Candid 2024 Plan and each option thereunder was assumed by Rallybio in connection with the Merger.

Share reserve. Subject to certain capitalization adjustments, the aggregate number of shares of Candid Common Stock that may be issued pursuant to awards under the Candid 2024 Plan is 60,711,153 shares.

Awards. The Candid 2024 Plan permits the grant of ISOs, NSOs, stock appreciation rights, restricted stock awards, restricted stock unit awards and other stock-based awards. ISOs may be granted only to Candid employees and to any of Candid's parent or subsidiary corporations' employees. All other awards may be granted to employees, directors and consultants of Candid and to any of Candid's parent or subsidiary corporations' employees or consultants.

Administration. The Candid Board or, if delegated by the Candid Board, a committee or one or more persons or bodies administers Candid 2024 Plan. Subject to the terms of the Candid 2024 Plan, the administrator has the

power to, among other things, select the persons to whom awards may be granted, determine the type of award to be granted to any person, determine the number and type of shares to be covered by each award, establish the terms and conditions of each award agreement, determine whether and under what circumstances an option may be exercised without a payment of cash, and determine whether and to what extent and under what circumstances shares and other amounts payable with respect to an award may be deferred either automatically or at the election of the participant.

Stock options. ISOs and NSOs are granted pursuant to stock option agreements adopted by the administrator. The administrator determines the exercise price for a stock option, provided that the exercise price of a stock option generally cannot be less than 100% of the fair market value of Candid Common Stock on the date of grant. Options granted under the Candid 2024 Plan vest at the rate specified by the administrator. The administrator determines the term of stock options granted under the Candid 2024 Plan, up to a maximum of 10 years. Unless the terms of an optionholder's stock option agreement provide otherwise, if an optionholder's service relationship with Candid, or any of Candid's affiliates, ceases for any reason other than disability, death or cause, the optionholder may generally exercise any vested options for a period of three months following the cessation of service. The option term may be extended in the event that the exercise of the option following such a termination of service is prohibited by applicable securities laws or Candid's insider trading policy. If an optionholder's service relationship with Candid or any of Candid's affiliates ceases due to disability or death, or an optionholder dies within a certain period following cessation of service, the optionholder or a beneficiary may generally exercise any vested options for a period of 12 months in the event of disability and 18 months in the event of death. In the event of a termination for cause, options generally terminate immediately upon the termination of the individual for cause. In no event may an option be exercised beyond the expiration of its term. Acceptable consideration for the purchase of Candid Common Stock issued upon the exercise of a stock option will be determined by the administrator and may include (1) cash, check, bank draft, electronic funds transfer or money order, (2) a broker-assisted cashless exercise, (3) the tender of shares of Candid Common Stock previously owned by the optionholder, (4) a net exercise of the option if it is an NSO, (5) deferred payment or a similar arrangement with the optionholder and (6) other legal consideration approved by the administrator.

Tax limitations on incentive stock options. The aggregate fair market value, determined at the time of grant, of Candid Common Stock with respect to ISOs that are exercisable for the first time by an optionholder during any calendar year under all of Candid's stock plans may not exceed \$100,000. Options or portions thereof that exceed such limit will generally be treated as NSOs. No ISO may be granted to any person who, at the time of the grant, owns or is deemed to own stock possessing more than 10% of Candid's total combined voting power or that of any of Candid's affiliates unless (1) the option exercise price is at least 110% of the fair market value of the stock subject to the option on the date of grant and (2) the term of the ISO does not exceed five years from the date of grant.

Restricted stock awards. Restricted stock awards are granted pursuant to restricted stock award agreements adopted by the administrator. Restricted stock awards may be granted in consideration for (1) cash, check, bank draft or money order, (2) services rendered to Candid or Candid's affiliates or (3) any other form of legal consideration approved by the administrator. Candid Common Stock acquired under a restricted stock award may, but need not, be subject to a share repurchase option in Candid's favor in accordance with a vesting schedule to be determined by the administrator. A restricted stock award may be transferred only upon such terms and conditions as set by the administrator. Except as otherwise provided in the applicable award agreement, restricted stock awards that have not vested may be forfeited or repurchased by Candid upon the participant's cessation of continuous service for any reason.

Changes to capital structure. In the event there is a specified type of change in Candid's capital structure, such as a stock dividend, stock split or reverse stock split, appropriate adjustments will be made to (1) the number of shares available for issuance under the Candid 2024 Plan, (2) the number of shares covered by and, as applicable, the exercise price of each outstanding award granted under the Candid 2024 Plan and (3) the number of shares that may be issued as ISOs under the Candid 2024 Plan.

Corporate transactions. In the event of a "corporate transaction" (as defined in the Candid 2024 Plan), the Candid Board generally may take one or more of the following actions with respect to outstanding awards:

- arrange for the surviving or acquiring corporation (or such corporation's parent) to assume or continue such awards, or to substitute a similar stock award for such outstanding awards;
- cancel any or all vested and/or unvested awards in exchange for cash or other consideration, at the discretion of the Candid Board;
- accelerate the vesting of stock awards in whole or in part;
- cancel any or all unvested awards without payment of any consideration;
- arrange for the lapse of any reacquisition or repurchase rights in Candid's favor with respect to a stock award,
- arrange for the assignment of any such rights to the surviving or acquiring corporation (or such corporation's parent); or
- make a payment equal to the excess, if any, of (A) the value of the property the participant would have received upon exercise of the award immediately prior to the effective time of a corporate transaction, over (B) any exercise price payable in connection with such exercise.

The Candid Board need not take the same action or actions with respect to all stock awards or portions thereof or with respect to all participants or with respect to the vested or unvested portion of such stock awards.

In addition, a stock award may provide for additional acceleration of vesting and exercisability upon or following a "change in control" (as defined in the Candid 2024 Plan) as may be provided in the award agreement evidencing such stock award or in any other written agreement with the holder thereof.

Plan amendment or termination. The Candid Board may amend, modify or terminate the Candid 2024 Plan at any time. Unless terminated sooner by the Candid Board, the Candid 2024 Plan will automatically terminate on the day before the tenth anniversary of the earlier of (1) the date the Candid 2024 Plan was approved by the Candid Board or (2) the date the Candid 2024 Plan was approved by Candid's stockholders.

Non-Employee Director Compensation

Historically, Candid has not paid cash compensation to any of its non-employee directors for service on the Candid Board.

The following table sets forth in summary form information concerning the compensation that Candid paid or awarded during the year ended December 31, 2025 to each of Candid's non-employee directors.

NAME	FEES EARNED OR PAID IN CASH (\$)	STOCK AWARDS (\$)	OPTION AWARDS \$(1)(2)	ALL OTHER COMPENSATION (\$)	TOTAL (\$)
Dan Puckett	—	—	48,000	—	48,000
Michael Rome, Ph.D.	—	—	—	—	—
Aaron Royston, M.D.	—	—	—	—	—
Jeffrey Tong, Ph.D.	—	—	—	—	—
Angie You, Ph.D.	—	—	48,000	—	48,000

(1) Amounts reflect the aggregate grant date fair value of the option awards granted during the year ended December 31, 2025 computed in accordance with FASB ASC 718. Assumptions used in the calculation of the grant date fair value of each option award granted are described in Note 8 to Candid's audited consolidated financial statements and notes appearing elsewhere in this proxy statement/prospectus. These amounts do not reflect the actual economic value that may be realized by Candid's non-employee directors upon the vesting of the option awards, the exercise of the option awards, or any subsequent sale of common stock underlying such option awards.

(2) As of December 31, 2025, the aggregate number of shares of Candid Common Stock and shares of Candid Common Stock underlying outstanding options to purchase shares of Candid Common Stock held by non-employee directors was as follows: (i) Candid stock options to purchase 1,838,750 shares of Candid Common Stock held by Mr. Puckett and (ii) 1,638,750 shares of Candid Common Stock and Candid stock options to purchase 200,000 shares of Candid Common Stock held by Dr. You. None of Candid's other non-employee directors held shares of Candid Common Stock or options to purchase shares of Candid Common Stock as of December 31, 2025.

Outstanding equity awards held by Candid's non-employee directors are subject to the terms of the Candid 2024 Plan, as described above under "*Equity Incentive Plan—Candid 2024 Equity Incentive Plan.*"

In May 2025, the Candid board of directors cancelled option awards to purchase 200,000 shares of Candid Common Stock granted to each of Mr. Puckett and Dr. You (collectively, the "Director Cancelled Options"). The Director Cancelled Options were originally granted in November 2024 with an exercise price of \$0.70 per share and vested, if at all, upon an IPO liquidity-event based performance condition, subject to the grantee's Continuous Service with Candid as of such date. In May 2025, the Candid Board approved replacement option awards to purchase 200,000 shares of Candid Common Stock to each of Mr. Puckett and Dr. You (collectively, the "Director Replacement Options"). The Director Replacement Options have an exercise price of \$0.35 per share and vest as follows: (a) in the event of a CIC Liquidity Event, then 100% of the total shares will vest immediately prior to and contingent upon the closing of such CIC Liquidity Event and (b) in the event of a Public Listing Liquidity Event, then 12/48th of the total shares will vest on the one year anniversary of the date of the Public Listing Liquidity Event, and 1/48th of the total shares will vest each month thereafter on the same day of the month as the vesting commencement date (or if there is no corresponding day, on the last day of the month), subject to the grantee's Continuous Service with Candid as of each such date and subject to the occurrence of such Public Listing Liquidity Event on or before December 31, 2026. Upon the Closing Date, the Director Replacement Options will begin vesting in accordance with subsection (b). For more information with respect to the vesting terms see the Replacement Options described above.

Candid has reimbursed and will continue to reimburse all of its non-employee directors for their travel, lodging and other reasonable expenses incurred in attending meetings of the Candid Board and committees of the Candid Board.

Non-Employee Director Compensation Policy

Following the Merger, Candid intends to adopt a new non-employee director compensation policy on terms to be determined by the combined company's board of directors. Under the non-employee director policy, the combined company's non-employee directors will be eligible to receive compensation for service on the combined company's board of directors and committees of combined company's board of directors.

PROPOSAL NO. 1—THE NASDAQ STOCK ISSUANCE PROPOSAL

General

At the Rallybio annual meeting, Rallybio stockholders will be asked to approve the issuance of shares of Rallybio Common Stock to (i) the securityholders of Candid, pursuant to the terms of the Merger Agreement, and (ii) certain investors in the Concurrent Financing, pursuant to the terms of the subscription agreement, which will (a) represent more than 20% of the shares of Rallybio Common Stock outstanding immediately prior to the Merger and (b) result in the change of control of Rallybio, pursuant to Nasdaq Listing Rules 5635(a) and 5635(b), respectively.

Under the Exchange Ratio and Concurrent Financing Exchange Ratio formulas in the Merger Agreement, immediately after the Closing, on a pro forma basis and based upon the number of shares of Rallybio Common Stock expected to be issued in connection with the Merger, pre-Merger equityholders of Candid (other than investors in the Concurrent Financing) are expected to own approximately 57.55% of the combined company, pre-Merger equityholders of Rallybio are expected to own approximately 3.65% of the combined company and the investors in the Concurrent Financing are expected to own approximately 38.80% of the combined company (assuming proceeds from the Concurrent Financing of \$505.5 million), in each case, calculated on a fully diluted basis, using the treasury stock method, and subject to certain assumptions, including (i) a valuation for Rallybio of \$47.5 million (assuming Rallybio Net Cash of \$37.5 million as of the Closing), (ii) a fixed valuation for Candid of \$750.0 million, and (iii) the relative capitalization of Rallybio and Candid. The percentage of the combined company that each party's equityholders will own following the Closing is subject to certain adjustments (as described in more detail in the section titled "*The Merger Agreement—Merger Consideration and Exchange Ratio*"), including the amount of the final Rallybio Net Cash at the Closing.

The terms of, reasons for and other aspects of the Merger Agreement, the Merger and the issuance of Rallybio Common Stock in the Merger are described in detail in the other sections in this proxy statement/prospectus. A copy of the Merger Agreement is attached as *Annex A* to this proxy statement/prospectus.

Reason for the Proposal

Under Nasdaq Listing Rule 5635(a)(1), a company listed on Nasdaq is required to obtain stockholder approval prior to the issuance of common stock, among other things, in connection with the acquisition of another company's stock, if the number of shares of common stock to be issued is in excess of 20% of the number of shares of common stock then outstanding. Accordingly, in order to ensure compliance with Nasdaq Listing Rule 5635(a)(1), Rallybio must obtain the approval of Rallybio stockholders for the issuance of these shares of common stock in the Merger.

Under Nasdaq Listing Rule 5635(b), a company listed on Nasdaq is required to obtain stockholder approval prior to an issuance of stock that will result in a "change of control" of the listed company. Nasdaq has determined that the Merger constitutes a "change of control" of the listed company. Accordingly, in order to ensure compliance with Nasdaq Listing Rule 5635(b), Rallybio must obtain the approval of Rallybio stockholders of the change of control of Rallybio resulting from the Merger.

Required Vote

The affirmative vote of a majority of the total votes cast by the holders of Rallybio Common Stock entitled to vote at the Rallybio annual meeting, assuming a quorum is present, is required to approve the Nasdaq Stock Issuance Proposal. Abstentions and broker non-votes (if any) will have no effect on the outcome of the vote on the Nasdaq Stock Issuance Proposal.

The Merger is conditioned upon the approval of the Nasdaq Stock Issuance Proposal (or the waiver thereof in accordance with the terms of the Merger Agreement). Notwithstanding the approval of the Nasdaq Stock Issuance Proposal, if the Merger is not consummated for any reason, the actions contemplated by the Nasdaq Stock Issuance Proposal will not be effected. The closing of the Concurrent Financing is conditioned upon the satisfaction or waiver of each of the conditions to the Closing as well as certain other conditions. Therefore, the Concurrent Financing cannot be consummated without the approval of the Nasdaq Stock Issuance Proposal (or the waiver thereof).

Certain of Rallybio's stockholders have agreed to vote any shares of Rallybio Common Stock owned by them in favor of the Contemplated Transactions including: (a) the Nasdaq Stock Issuance Proposal, (b) the Reverse Stock Split Proposal, (c) the Name Change Proposal, (d) the Authorized Share Proposal, and (e) the other actions contemplated by the Merger Agreement, against approval of any proposal made in opposition to, or in competition with, the Merger Agreement or the consummation of the Merger, and against any alternative acquisition proposals. See *"Agreements Related to the Merger—Support Agreements"* for more information.

Unless otherwise instructed, it is the intention of the persons named in the accompanying proxy card to vote shares represented by properly executed proxy cards **"FOR"** the approval of the Nasdaq Stock Issuance Proposal.

**THE RALLYBIO BOARD UNANIMOUSLY RECOMMENDS A VOTE "FOR"
THE NASDAQ STOCK ISSUANCE PROPOSAL**

PROPOSAL NO. 2—THE REVERSE STOCK SPLIT PROPOSAL

General

At the Rallybio annual meeting, Rallybio stockholders will be asked to approve an amendment to Rallybio's amended and restated certificate of incorporation that will implement a reverse stock split of the issued and outstanding shares of Rallybio Common Stock at a ratio in the range between 1-for-2 to 1-for-3 inclusive, with the final ratio to be mutually agreed to by Rallybio and Candid, for the purposes of maintaining compliance with Nasdaq listing standards or for the combined company to meet the initial listing standards of Nasdaq or otherwise if deemed advisable by Candid. Upon the effectiveness of such amendment to Rallybio's amended and restated certificate of incorporation to effect the reverse stock split (the "reverse stock split effective time"), the issued and outstanding shares of Rallybio Common Stock immediately prior to the reverse stock split effective time will be reclassified into a smaller number of shares such that a Rallybio stockholder will own a ratio ranging from one new share of Rallybio Common Stock for every 2 to 3 shares of issued common stock held by such stockholder immediately prior to the reverse stock split effective time, as specified. Based upon the reverse stock split ratio selected by Rallybio and Candid, proportionate adjustments will be made to the per share exercise price, and/or the number of shares issuable upon the exercise or vesting of all then outstanding Rallybio stock options, which will result in a proportional decrease in the number of shares of Rallybio Common Stock reserved for issuance upon exercise or vesting of such stock options, and a proportional increase in the exercise price of all such stock options.

The proposed form of certificate of amendment to Rallybio's amended and restated certificate of incorporation, a copy of which is attached as *Annex I* to this proxy statement/prospectus, will affect the reverse stock split but **will not** change the number of authorized shares of Rallybio Common Stock, or the par value of Rallybio Common Stock.

The Rallybio Board may determine to effect the reverse stock split, if it is approved by the stockholders, even if the other proposals to be acted upon at the meeting are not approved, including the Nasdaq Stock Issuance Proposal. In addition, notwithstanding approval of this proposal by Rallybio stockholders, the Rallybio Board may, in its sole discretion, abandon the proposed amendment and determine prior to the effectiveness of any filing with the Secretary of State of the State of Delaware not to effect the reverse stock split, as permitted under Section 242(c) of the DGCL.

Reasons for the Proposal

The Rallybio Board approved the proposal approving the amendment to Rallybio's amended and restated certificate of incorporation effecting the reverse stock split for the following reasons:

- the Rallybio Board believes effecting the reverse stock split will result in an increase in the minimum bid price of Rallybio Common Stock, thereby increasing the ability of the combined company to satisfy the Nasdaq initial listing requirements for the combined company common stock and reducing the risk of a delisting of Rallybio Common Stock from Nasdaq in the future;
- the Rallybio Board believes a higher stock price may help generate investor interest in Rallybio and ultimately the combined company and help Rallybio attract and retain employees;
- the Rallybio Board believes a higher stock price may increase trading volume in Rallybio Common Stock and facilitate future financings by the combined company;
- the Rallybio Board believes that the resulting increase in the number of authorized and unissued shares available for future issuance will facilitate the issuance of shares to the stockholders of Candid pursuant to the Merger Agreement, as described in the Nasdaq Stock Issuance Proposal, and ultimately the consummation of the Merger, and the issuance of shares to the investors in the Concurrent Financing pursuant to the Subscription Agreement; and
- the Rallybio Board believes that a range of reverse stock split ratios provides it with the most flexibility to achieve the desired results of the reverse stock split.

Requirements for Listing on Nasdaq

Rallybio Common Stock is listed on Nasdaq under the symbol "RLYB." Candid will file an initial listing application pursuant to the terms of the Merger Agreement for the combined company with Nasdaq.

According to the Nasdaq rules, an issuer must, in a case such as this, apply for initial inclusion following a transaction whereby the issuer combines with a non-Nasdaq entity, resulting in a change of control of the issuer and potentially allowing the non-Nasdaq entity to obtain a Nasdaq listing. Accordingly, the listing standards of Nasdaq will require Rallybio to have, among other things, a \$4.00 per share minimum bid price for a certain number of trading days preceding the Closing. Therefore, the reverse stock split may be necessary in order to consummate the Merger.

In addition, it is a condition to the Closing that the shares of Rallybio Common Stock to be issued in the Merger pursuant to the Merger Agreement having been approved for listing on Nasdaq.

One of the effects of the reverse stock split will be to effectively increase the proportion of authorized shares which are unissued relative to those which are issued. This could result in Rallybio's management being able to issue more shares without further stockholder approval. The reverse stock split will not affect the number of authorized shares of Rallybio capital stock, which will continue to be authorized pursuant to Rallybio's amended and restated certificate of incorporation.

Potential Increased Investor Interest

The closing price of the Rallybio Common Stock on _____, 2026, as reported on Nasdaq, was \$ _____ per share. An investment in Rallybio Common Stock may not appeal to brokerage firms that are reluctant to recommend lower priced securities to their clients. Investors may also be dissuaded from purchasing lower priced stocks because the brokerage commissions, as a percentage of the total transaction, tend to be higher for such stocks. Moreover, the analysts at many brokerage firms do not monitor the trading activity or otherwise provide research coverage of lower priced stocks. Also, the Rallybio Board believes that most investment funds are reluctant to invest in lower priced stocks.

There are risks associated with the reverse stock split, including that the reverse stock split may not result in an increase in the per share price of Rallybio Common Stock at the levels expected or at all.

Rallybio cannot predict whether the reverse stock split will increase the market price for Rallybio Common Stock. The history of similar stock split combinations for companies in like circumstances is varied. There is no assurance that:

- the market price per share of Rallybio Common Stock after the reverse stock split will rise in proportion to the reduction in the number of shares of Rallybio Common Stock outstanding before the reverse stock split;
- the reverse stock split will result in a per share price that will attract brokers and investors who do not trade in lower priced stocks;
- the reverse stock split will result in a per share price that will increase the ability of Rallybio to attract and retain employees;
- the market price per share will either exceed or remain in excess of the \$1.00 minimum bid price as required by Nasdaq for continued listing;
- the reverse stock split will or increase trading volume in Rallybio Common Stock and facilitate future financings by the combined company; or
- the market price per share will achieve and maintain the \$4.00 minimum bid price requirement for a sufficient period of time for the combined company's common stock to be approved for listing by Nasdaq.

The market price of Rallybio Common Stock will also be based on the performance of Rallybio, and after the Merger, on the performance of the combined company, and other factors, some of which are unrelated to the number of shares outstanding. If the reverse stock split is effected and the market price of Rallybio Common Stock declines, the percentage decline as an absolute number and as a percentage of the overall market capitalization of Rallybio may be greater than would occur in the absence of a reverse stock split. Furthermore, the liquidity of Rallybio Common Stock could be adversely affected by the reduced number of shares that would be outstanding after the reverse stock split.

Principal Effects of the Reverse Stock Split

The reverse stock split will be realized simultaneously for all shares of Rallybio Common Stock and Rallybio options outstanding immediately prior to the reverse stock split effective time. The reverse stock split will affect all holders of shares of Rallybio Common Stock outstanding immediately prior to the reverse stock split effective time uniformly and each such stockholder will hold the same percentage of Rallybio Common Stock outstanding immediately following the reverse stock split as that stockholder held immediately prior to the reverse stock split, except for immaterial adjustments that may result from the treatment of fractional shares as described below. The reverse stock split will not change the par value of Rallybio Common Stock or preferred stock and will not reduce the number of authorized shares of Rallybio Common Stock or preferred stock. Rallybio Common Stock issued pursuant to the reverse stock split will remain fully paid and nonassessable. The reverse stock split will not affect Rallybio continuing to be subject to the periodic reporting requirements of the Exchange Act.

Procedure for Effecting Reverse Stock Split and Exchange of Stock Certificates

If the Rallybio stockholders approve the amendment to Rallybio's amended and restated certificate of incorporation effecting the reverse stock split, and if the Rallybio Board still believes that a reverse stock split is in the best interests of Rallybio and its stockholders, Rallybio will file the certificate of amendment to Rallybio's amended and restated certificate of incorporation with the Secretary of State of the State of Delaware at such time as the Rallybio Board has determined to be the appropriate reverse stock split effective time. The Rallybio Board may delay effecting the reverse stock split without resoliciting stockholder approval.

Beginning at the reverse stock split effective time, each stock certificate representing pre-split shares will be deemed for all corporate purposes to evidence ownership of post-split shares.

Beneficial Owners of Common Stock. Upon the implementation of the reverse stock split, Rallybio intends to treat shares held by stockholders in "street name" (i.e., through a bank, broker, custodian or other nominee), in the same manner as registered stockholders whose shares are registered in their names. Banks, brokers, custodians or other nominees will be instructed to effect the reverse stock split for their beneficial holders holding Rallybio Common Stock in street name. However, these banks, brokers, custodians or other nominees may have different procedures than registered stockholders for processing the reverse stock split and making payment for fractional shares. If a stockholder holds shares of Rallybio Common Stock with a bank, broker, custodian or other nominee and has any questions in this regard, stockholders are encouraged to contact their bank, broker, custodian or other nominee.

Registered Holders of Common Stock in Book-Entry Form. Rallybio's registered holders of common stock hold their shares electronically in book-entry form with Rallybio's transfer agent, Computershare Trust Company, N.A. These stockholders do not hold physical stock certificates evidencing their ownership of Rallybio Common Stock. However, they are provided with a statement reflecting the number of shares of Rallybio Common Stock registered in their accounts. No action needs to be taken to receive post-reverse stock split shares or payment in lieu of fractional shares, if applicable. If a stockholder is entitled to post-reverse stock split shares, a transaction statement will automatically be sent to the stockholder's address of record indicating the number of shares of Rallybio Common Stock held following the reverse stock split.

Fractional Shares

No fractional shares will be issued in connection with the reverse stock split. Stockholders of record who otherwise would be entitled to receive fractional shares because they hold a number of pre-split shares not evenly divisible by the number of post-split shares for which each post-split share is to be reclassified, will be entitled to a cash payment in lieu thereof at a price equal to the fraction to which the stockholder would otherwise be entitled multiplied by the closing price of the common stock on Nasdaq on the date of the filing of the certificate of amendment to Rallybio's amended and restated certificate of incorporation effecting the reverse stock split. For the foregoing purposes, all shares of common stock held by a holder will be aggregated (thus resulting in no more than one fractional share per holder). The ownership of a fractional interest will not give the holder thereof any voting, dividend or other rights except to receive payment therefor as described herein.

Rallybio stockholders should be aware that, under the escheat laws of the various jurisdictions where stockholders reside, where Rallybio is domiciled and where the funds will be deposited, sums due for fractional interests that are

not timely claimed after the effective date of the split may be required to be paid to the designated agent for each such jurisdiction, unless correspondence has been received by Rallybio or the exchange agent concerning ownership of such funds within the time permitted in such jurisdiction. Thereafter, stockholders otherwise entitled to receive such funds will have to seek to obtain them directly from the state to which they were paid.

Potential Anti-Takeover Effect

Although the increased proportion of unissued authorized shares to issued shares could, under certain circumstances, have an anti-takeover effect, for example, by permitting issuances that would dilute the stock ownership of a person seeking to effect a change in the composition of the Rallybio Board or contemplating a tender offer or other transaction for the combination of Rallybio with another company, the Reverse Stock Split Proposal is not being proposed in response to any effort of which Rallybio is aware to accumulate shares of Rallybio Common Stock or obtain control of Rallybio, other than in connection with the Merger and the Concurrent Financing, nor is it part of a plan by management to recommend a similar amendment to the Rallybio Board and stockholders. Other than the proposals being submitted to the Rallybio stockholders for their consideration at the Rallybio annual meeting, the Rallybio Board does not currently contemplate recommending the adoption of any other actions that could be construed to affect the ability of third parties to take over or change control of Rallybio. For more information, please see the section titled “Risk Factors—Risks Related to the Combined Company” of this proxy statement/prospectus.

Material U.S. Federal Income Tax Consequences of the Reverse Stock Split

The following is a discussion of the material U.S. federal income tax consequences of the reverse stock split that are applicable to U.S. holders (which, for purposes of this discussion, has the same meaning as in “*Material U.S. Federal Income Tax Consequences of the Rallybio CVRs to holders of Rallybio Common Stock*”) of Rallybio Common Stock. This discussion does not purport to be a complete analysis of all potential tax consequences and is based upon current provisions of the Code, existing Treasury regulations, judicial decisions and published rulings and administrative pronouncements of the IRS, all in effect as of the date hereof and all of which are subject to differing interpretations or change. Any such change or differing interpretation, which may be retroactive, could alter the tax consequences to holders of Rallybio Common Stock as described in this summary.

This discussion assumes that any cash distributed pursuant to a cash dividend will be treated for U.S. federal income tax purposes as separate and distinct from the reverse stock split.

Additionally, this discussion does not address all U.S. federal income tax consequences relevant to holders of Rallybio Common Stock. In addition, it does not address consequences relevant to holders of Rallybio Common Stock that are subject to particular U.S. or non-U.S. tax rules, including, without limitation, to holders of Rallybio Common Stock that are:

- persons who do not hold their Rallybio Common Stock as a “capital asset” within the meaning of Section 1221 of the Code;
- brokers, dealers or traders in securities, banks, insurance companies, other financial institutions or mutual funds;
- real estate investment trusts; regulated investment companies; tax-exempt organizations or governmental organizations;
- pass-through entities such as partnerships, S corporations, disregarded entities for federal income tax purposes and limited liability companies (and investors therein);
- subject to the alternative minimum tax provisions of the Code;
- persons who hold their shares as part of a hedge, wash sale, synthetic security, conversion transaction or other integrated transaction;
- persons that have a functional currency other than the U.S. dollar;
- traders in securities who elect to apply a mark-to-market method of accounting;
- persons who hold shares of Rallybio Common Stock that may constitute “qualified small business stock” under Section 1202 of the Code or as “Section 1244 stock” for purposes of Section 1244 of the Code;

- persons who acquired their shares of Rallybio stock in a transaction subject to the gain rollover provisions of Section 1045 of the Code;
- persons subject to special tax accounting rules as a result of any item of gross income with respect to Rallybio stock being taken into account in an "applicable financial statement" (as defined in the Code);
- persons deemed to sell Rallybio Common Stock under the constructive sale provisions of the Code;
- persons who acquired their shares of Rallybio Common Stock pursuant to the exercise of options or otherwise as compensation or through a tax-qualified retirement plan or through the exercise of a warrant or conversion rights under convertible instruments; and
- expatriates or former citizens or long-term residents of the United States.

Holders of Rallybio Common Stock subject to particular U.S. or non-U.S. tax rules, including those that are described in the preceding paragraph, are urged to consult their own tax advisors regarding the consequences to them of the reverse stock split.

If an entity that is treated as a partnership for U.S. federal income tax purposes (or any other pass-through entity) holds Rallybio stock, the U.S. federal income tax treatment of a partner in the partnership or other pass-through entity will generally depend upon the status of the partner, the activities of the partnership or other pass-through entity and certain determinations made at the partner level. If you are a partner of a partnership or other pass-through entity holding Rallybio Common Stock, you should consult your tax advisors regarding the tax consequences of the Merger.

In addition, the following discussion does not address (a) any tax consequences of transactions effectuated before, after or at the same time as the reverse stock split, whether or not they are in connection with the reverse stock split, except as specifically provided below; (b) the tax consequences of the reverse stock split under state, local and foreign tax laws; (c) any U.S. federal non-income tax consequences of the reverse stock split, including estate, gift or other tax consequences; or (d) the Medicare contribution tax on net investment income. No ruling from the IRS has been or will be requested in connection with the reverse stock split. Rallybio stockholders should be aware that the IRS could adopt a position contrary to that set forth in this discussion and which could be sustained by a court.

STOCKHOLDERS SHOULD CONSULT THEIR TAX ADVISORS WITH RESPECT TO THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR SITUATIONS AS WELL AS ANY TAX CONSEQUENCES OF THE REVERSE STOCK SPLIT ARISING UNDER THE U.S. FEDERAL ESTATE OR GIFT TAX LAWS OR UNDER THE LAWS OF ANY STATE, LOCAL OR NON-U.S. TAXING JURISDICTION OR UNDER ANY APPLICABLE INCOME TAX TREATY.

Tax Consequences of the Reverse Stock Split

The proposed reverse stock split should constitute a "recapitalization" for U.S. federal income tax purposes pursuant to Section 368(a)(1)(E) of the Code. As a result, a U.S. holder should not recognize gain or loss upon the proposed reverse stock split, except with respect to cash received in lieu of a fractional share of Rallybio Common Stock, as discussed below. A U.S. holder's aggregate adjusted tax basis in the shares of Rallybio Common Stock received pursuant to the proposed reverse stock split should equal the aggregate adjusted tax basis of the shares of the Rallybio Common Stock surrendered (excluding any portion of such basis that is allocated to any fractional share of Rallybio Common Stock), and such U.S. holder's holding period in the shares of Rallybio Common Stock received should include the holding period in the shares of Rallybio Common Stock surrendered. U.S. Treasury Regulations provide detailed rules for allocating the tax basis and holding period of the shares of Rallybio Common Stock surrendered to the shares of Rallybio Common Stock received in a recapitalization pursuant to the proposed reverse stock split. U.S. holders of shares of Rallybio Common Stock acquired on different dates and at different prices should consult their tax advisors regarding the allocation of the tax basis and holding period of such shares. It is possible that the IRS or a court could determine that the issuance of the Rallybio CVRs (and/or any payments thereon) and the proposed reverse stock split constitute a single "recapitalization" for U.S. federal income tax purposes with the Rallybio CVRs constituting taxable "boot" received in such recapitalization exchange. In such case, the tax consequences of the Rallybio CVRs and the proposed reverse stock split would differ from those described above, including with respect to the timing and character of income.

Cash in Lieu of Fractional Shares

A U.S. holder that receives cash in lieu of a fractional share of Rallybio Common Stock pursuant to the proposed reverse stock split should recognize capital gain or loss in an amount equal to the difference between the amount of cash received and the U.S. holder's tax basis in the shares of Rallybio Common Stock surrendered that is allocated to such fractional share of Rallybio Common Stock. Such capital gain or loss should be long-term capital gain or loss if the U.S. holder's holding period for Rallybio Common Stock surrendered exceeded one year at the reverse stock split effective time.

Information Reporting and Backup Withholding

Payments of cash made in lieu of a fractional share of Rallybio Common Stock may, under certain circumstances, be subject to information reporting and backup withholding. To avoid backup withholding, each holder of Rallybio Common Stock that does not otherwise establish an exemption should furnish its taxpayer identification number and comply with the applicable certification procedures.

Backup withholding is not an additional tax. Any amounts withheld will be allowed as a credit against the holder's U.S. federal income tax liability and may entitle such holder to a refund, provided the required information is timely furnished to the IRS. Holders of Rallybio Common Stock should consult their tax advisors regarding their qualification for an exemption from backup withholding and the procedures for obtaining such an exemption.

Required Vote

The affirmative vote of a majority of the total votes cast by the holders of Rallybio Common Stock entitled to vote at the Rallybio annual meeting, assuming a quorum is present, is required to approve the Reverse Stock Split Proposal. Abstentions and broker non-votes (if any) will have no effect on the outcome of the vote on the Reverse Stock Split Proposal.

The Merger is conditioned upon the approval of the Reverse Stock Split Proposal (or the waiver thereof in accordance with the terms of the Merger Agreement). If the Merger is not consummated for any reason, the actions contemplated by the Reverse Stock Split Proposal may still be effected if the Reverse Stock Split Proposal is approved. The closing of the Concurrent Financing is conditioned upon the satisfaction or waiver of each of the conditions to the Closing as well as certain other conditions. Therefore, the Concurrent Financing cannot be consummated without the approval of the Reverse Stock Split Proposal (or the waiver thereof). Rallybio may still elect to proceed with the reverse stock split if the Reverse Stock Split Proposal is approved by Rallybio stockholders even if Proposal No. 1 is not approved, or even if approved, the Merger is not consummated.

Certain of Rallybio's stockholders have agreed to vote any shares of common stock owned by them in favor of the Contemplated Transactions including (a) the Nasdaq Stock Issuance Proposal, (b) the Reverse Stock Split Proposal, (c) the Name Change Proposal, (d) the Authorized Share Proposal, and (e) the other actions contemplated by the Merger Agreement, against approval of any proposal made in opposition to, or in competition with, the Merger Agreement or the consummation of the Merger, and against any alternative acquisition proposals. See "*Agreements Related to the Merger—Support Agreements*" for more information.

Unless otherwise instructed, it is the intention of the persons named in the accompanying proxy card to vote shares represented by properly executed proxy cards **"FOR"** the approval of the Reverse Stock Split Proposal.

**THE RALLYBIO BOARD UNANIMOUSLY RECOMMENDS THAT YOU VOTE "FOR"
THE REVERSE STOCK SPLIT PROPOSAL**

PROPOSAL NO. 3—THE NAME CHANGE PROPOSAL

General

At the Rallybio annual meeting, Rallybio stockholders will be asked to approve an amendment to Rallybio's amended and restated certificate of incorporation to effect the name change of "Rallybio Corporation" to "Candid Therapeutics, Inc." effective only upon the completion of the Merger.

The proposed form of certificate of amendment to Rallybio's amended and restated certificate of incorporation, a copy of which is attached as Annex J to this proxy statement/prospectus, will affect the name change.

Effects of the Name Change Amendment

If the Rallybio stockholders approve the amendment to Rallybio's certificate of incorporation effecting the name change, Rallybio will file the certificate of amendment to Rallybio's amended and restated certificate of incorporation with the Secretary of State of the State of Delaware upon the completion of the Merger.

Following the Name Change Amendment and resulting change of the Rallybio's corporate name, the common stock of the combined company will trade on Nasdaq under the symbol "CDRX." Stockholders will not experience any change in their rights as a stockholder as a result of this amendment to the Rallybio charter. Stockholders will not be required to submit their stock certificates for exchange as a result of this proposed name change. Following the effective date of the name change, all new stock certificates issued by us will use our new name.

Required Vote

The affirmative vote of a majority of the votes properly cast for and against by the holders of Rallybio Common Stock entitled to vote on at the Rallybio annual meeting is required to approve the Name Change Proposal. Abstentions and broker non-votes (if any) will have no effect on the outcome of the vote on the Name Change Proposal.

The Merger is conditioned upon the approval of the Name Change Proposal (or the waiver thereof in accordance with the terms of the Merger Agreement). Notwithstanding the approval of the Name Change Proposal, if the Merger is not consummated for any reason, the actions contemplated by the Name Change Proposal will not be effected. The closing of the Concurrent Financing is conditioned upon the satisfaction or waiver of each of the conditions to the Closing as well as certain other conditions. Therefore, the Concurrent Financing cannot be consummated without the approval of the Name Change Proposal (or the waiver thereof).

Certain of Rallybio's stockholders and Candid's equityholders have agreed to vote any shares of common stock owned by them in favor of the Contemplated Transactions including: (a) the Nasdaq Stock Issuance Proposal, (b) the Reverse Stock Split Proposal, (c) the Name Change Proposal, (d) the Authorized Share Proposal, and (e) the other actions contemplated by the Merger Agreement, against approval of any proposal made in opposition to, or in competition with, the Merger Agreement or the consummation of the Merger, and against any alternative acquisition proposals. See "*Agreements Related to the Merger—Support Agreements*" for more information.

Unless otherwise instructed, it is the intention of the persons named in the accompanying proxy card to vote shares represented by properly executed proxy cards "**FOR**" the approval of the Name Change Proposal.

**THE BOARD UNANIMOUSLY RECOMMENDS THAT YOU VOTE "FOR"
THE NAME CHANGE PROPOSAL**

PROPOSAL NO. 4—THE AUTHORIZED SHARE PROPOSAL

General

The Rallybio Board has determined that it is advisable to increase the authorized number of shares of Rallybio Common Stock from 200,000,000 shares to 500,000,000 shares, and has voted to recommend that the stockholders adopt an amendment to Rallybio's amended and restated certificate of incorporation effecting the proposed increase. The full text of the proposed amendment to Rallybio's amended and restated certificate of incorporation is attached to this proxy statement as *Annex K*.

As of February 27, 2026, and assuming a 1-for-2.5 reverse stock split of Rallybio Common Stock of Rallybio Common Stock to be implemented immediately prior to the Closing and upon the approval of the Reverse Stock Split Proposal, 2,115,870 shares of Rallybio Common Stock were issued and outstanding (excluding treasury shares) and approximately an additional 545,476 shares of Rallybio Common Stock were reserved for issuance upon the settlement or exercise of outstanding equity awards and pre-funded warrants and a total of approximately 273,988 shares of Rallybio Common Stock were available for future issuance under Rallybio's existing equity plans. Additionally, Rallybio expects that it will issue 62,246,687 shares of Rallybio Common Stock in the Merger, assuming a 1-for-2.5 reverse stock split of Rallybio Common Stock of Rallybio Common Stock to be implemented prior to the consummation of the Merger as may be adjusted and as discussed in this proxy statement/prospectus and based on the assumed Exchange Ratio, excluding any shares that may be issued in connection with the exercise of options assumed by Rallybio. Following the issuance of the shares of Rallybio Common Stock in the Merger and upon the approval of the 2026 Plan Proposal and the 2026 ESPP Proposal, a total of approximately 13,478,389 shares of Rallybio Common Stock is expected to be available for future issuance assuming the approval of this Proposal No. 4.

The Rallybio Board believes it continues to be in Rallybio's best interest to have sufficient additional authorized but unissued shares of Rallybio Common Stock available in order to provide flexibility for corporate action and strategic transactions in the future. Management believes that the availability of additional authorized shares for issuance from time to time in the Rallybio Board's discretion in connection with future financings, investment opportunities, stock splits or dividends or for other corporate purposes is desirable in order to avoid repeated separate amendments to Rallybio's amended and restated certificate of incorporation and the delay and expense incurred in holding special meetings of the stockholders to approve such amendments. Rallybio currently has no specific understandings, arrangements or agreements with respect to any future acquisitions that would require Rallybio to issue a material amount of new shares of Rallybio Common Stock. However, the Rallybio Board believes that the currently available unissued shares do not provide sufficient flexibility for corporate action in the future.

Rallybio will not solicit further authorization by vote of the stockholders for the issuance of the additional shares of Rallybio Common Stock proposed to be authorized, except as required by law, regulatory authorities or rules of Nasdaq or any other stock exchange on which the Rallybio Common Stock may then be listed. The issuance of additional shares of Rallybio Common Stock could have the effect of diluting existing stockholder earnings per share, book value per share and voting power. Rallybio stockholders do not have any preemptive right to purchase or subscribe for any part of any new or additional issuance of Rallybio's securities.

In addition to the corporate purposes mentioned above, an increase in the authorized number shares of Rallybio Common Stock may make it more difficult to, or discourage an attempt to, obtain control of Rallybio by means of a takeover bid that the Rallybio Board determines is not in the best interest of Rallybio and its stockholders. However, the Rallybio Board does not intend or view the proposed increase in the number of authorized shares of Rallybio Common Stock as an anti-takeover measure and is not aware of any attempt or plan to obtain control of Rallybio.

Required Vote

The affirmative vote of the holders of at least seventy-five percent of the outstanding shares of Rallybio Common Stock entitled to vote at the Rallybio annual meeting is required to approve the Name Change Proposal. Abstentions and broker non-votes (if any) will have the same effect as a vote "AGAINST" the Authorized Share Proposal.

The Merger is not conditioned upon the approval of the Authorized Share Proposal.

Certain of Rallybio's stockholders and Candid's equityholders have agreed to vote any shares of common stock owned by them in favor of the Contemplated Transactions including: (a) the Nasdaq Stock Issuance Proposal, (b) the Reverse Stock Split Proposal, (c) the Name Change Proposal, (d) the Authorized Share Proposal, and (e) the other actions contemplated by the Merger Agreement, against approval of any proposal made in opposition to, or in competition with, the Merger Agreement or the consummation of the Merger, and against any alternative acquisition proposals. See "*Agreements Related to the Merger—Support Agreements*" for more information.

Unless otherwise instructed, it is the intention of the persons named in the accompanying proxy card to vote shares represented by properly executed proxy cards **"FOR"** the approval of the Authorized Share Proposal.

**THE BOARD UNANIMOUSLY RECOMMENDS THAT YOU VOTE "FOR"
THE AUTHORIZED SHARE PROPOSAL**

PROPOSAL NO. 5—THE DIRECTOR ELECTION PROPOSAL

General

In accordance with the Rallybio's certificate of incorporation and bylaws, the Rallybio Board is divided into three classes. The members of each class are elected to serve a three-year term with the term of office of each class ending in successive years. Helen Boudreau, M.B.A., Lucian Iancovici, M.D. and Christine A. Nash, M.B.A. are the Class II directors whose terms expire at Rallybio's 2026 annual meeting of stockholders. Helen Boudreau, M.B.A., Lucian Iancovici, M.D. and Christine A. Nash, M.B.A. have been nominated for and have agreed to stand for re-election to the Rallybio Board to serve as a Class II director of Rallybio for three years and until their successors are duly elected and qualified or until their earlier death, resignation or removal.

It is intended that, unless you give contrary instructions, shares represented by proxies will be voted for the election of each of the nominees listed above. Rallybio has no reason to believe that any nominee will be unable to serve. In the event that either or both nominees are unexpectedly not available to serve, proxies may be voted for another person nominated as a substitute by the Rallybio Board, or the Rallybio Board may reduce the number of directors to be elected at the annual meeting. Information relating to each nominee for election as director and for each continuing director, including his or her period of service as a director of Rallybio, principal occupation and other biographical material is shown earlier in this proxy statement.

Rallybio stockholders should understand, however, that if the Merger is consummated, the effect of the approval of the director nominees named in the Director Election Proposal will be limited because the composition of the Rallybio Board will be reconstituted upon completion of the Merger in accordance with the Merger Agreement. Immediately following the Merger, the combined company's board of directors will be designated by Candid. All of Rallybio's current directors are expected to resign from their positions as directors of Rallybio, effective as of the Effective Time. For more information, see the section titled "*Management Following the Merger*."

Nominees for Election as Class II Directors

The following table identifies Rallybio's director nominees and sets forth their principal occupation and business experience during the last five years and their ages as of March 6, 2026.

NAME	AGE	DIRECTOR SINCE	POSITION AND CLASS
Stephen Uden, M.D.	68	2023	Director (Class II); Chief Executive Officer
Helen Boudreau, M.B.A.	60	2020	Director (Class II)
Lucian Iancovici, M.D.	43	2020	Director (Class II)
Christine A. Nash, M.B.A.	53	2022	Director (Class II)

Stephen Uden, M.D., is a co-founder of, and has been Chief Executive Officer and President, and a director of, Rallybio since August 2023. From January 2018 until August 2023, Dr. Uden served as President, Chief Operating Officer and Chief Scientific Officer of Rallybio. Previously, Dr. Uden served as Senior Vice President, Research at Alexion from June 2014 to October 2017. Prior to Alexion, Dr. Uden served in various leadership roles in the research organizations of Novartis (Japan), Wyeth (Japan), Neurogen and Pfizer. Dr. Uden received a BSc in biochemistry and an M.B., B.S. in medicine from the University of London. We believe Dr. Uden is qualified to serve on Rallybio's Board because of his executive management experience and research and scientific expertise at global pharmaceutical and biotechnology companies.

Helen M. Boudreau, M.B.A., has served as a member of Rallybio's Board since September 2020. Since 2020, she has been Managing Director of Estuary Ventures LLC, providing board and advisory services. Previously, she served as Chief Financial Officer from July 2017 to June 2018 and as a board member from February 2016 to July 2017 of Proteostasis Therapeutics, Inc. From October 2014 to June 2017, Ms. Boudreau served as Chief Financial Officer of FORMA Therapeutics, Inc., and from September 2008 to September 2014, Ms. Boudreau served in senior finance roles at Novartis AG, including Chief Financial Officer Novartis Corporation US and Chief Financial Officer

Global Oncology. Prior to Novartis, Ms. Boudreau served in roles of increasing responsibility in strategy and finance at Pfizer from April 1999 to September 2008, including Vice President Finance Customer Business Unit and Commercial Operations and Vice President Finance, Pfizer Global Research and Development. Earlier in her career, Ms. Boudreau worked at PepsiCo Inc. and YUM! Brands, Inc., McKinsey & Company and Bank of America Corporation. Ms. Boudreau currently serves as a board member of Shattuck Labs Inc. Ms. Boudreau previously served on the board of directors of Premier, Inc., Cara Therapeutics, Inc., Evaxion Biotech A/S, Proteostasis Therapeutics, Inc. and Reunion Neuroscience Inc. Ms. Boudreau earned a B.A. in Economics from the University of Maryland, where she graduated summa cum laude, and an M.B.A. from the Darden Graduate School of Business at the University of Virginia. Ms. Boudreau is Directorship Certified® by the National Association of Corporate Directors ("NACD") and earned the CERT Certificate in Cybersecurity Oversight from Carnegie Mellon University Software Engineering Institute and NACD. We believe Ms. Boudreau is qualified to serve on Rallybio's Board because of her financial expertise and extensive experience as an executive and director with biotechnology companies.

Lucian Iancovici, M.D., has served as a member of Rallybio's Board since May 2020. Dr. Iancovici is currently a Partner of TPG, a global alternative asset manager, where he has worked since January 2018. From September 2012 to October 2017, Dr. Iancovici served as the head of the Qualcomm Life Fund, a venture fund focused on investing in digital health technologies. From January 2015 to October 2017, Dr. Iancovici was a general partner at dRx Capital, a joint venture investment company launched by Novartis and Qualcomm. From 2011 to 2012, Dr. Iancovici was an associate at McKinsey & Company. Dr. Iancovici currently serves on the board of directors of Sionna Therapeutics, Inc. and on the boards of directors of several private companies. He is a board-certified internal medicine doctor who trained at Columbia University Medical Center in New York prior to joining McKinsey & Company. Dr. Iancovici received his B.A. in economics and an M.D., both from Tufts University. We believe that Dr. Iancovici is qualified to serve on Rallybio's Board because of his extensive experience in the venture capital industry, and his medical and scientific background and training.

Christine A. Nash, M.B.A., has served as a member of Rallybio's Board since April 2022. Since April 2018, Ms. Nash has been a principal at Chatiemac Consulting, LLC, a firm that provides strategic and commercial planning guidance to biotechnology companies and investors focused on the development of medications for rare diseases. From September 2021 until September 2022, Ms. Nash served as Board Chair and senior advisor to the President and Chief Executive Officer of The CM Group, an integrated healthcare agency focused on providing scientific and commercialization strategies and services to life sciences companies, where she also served as a member of the board of directors from August 2019 until September 2022. From 2007 to 2015, Ms. Nash held positions of increasing responsibility at Hyperion Therapeutics, Inc., including as Senior Vice President and Chief Commercial Officer since May 2012. Prior to Hyperion, from 2004 to 2007, Ms. Nash held various positions of increasing responsibility within the commercial organization at CoTherix, Inc. Ms. Nash's previous experience includes business development and product planning and management roles with Genesoft Pharmaceuticals Inc., Oncology Therapeutics Network, Eli Lilly and Company, and Imana, Inc. Ms. Nash holds an M.B.A. and a B.A. with Honors in Public Policy, both from Stanford University. We believe that Ms. Nash is qualified to serve on Rallybio's Board because of her extensive operational and business experience in the pharmaceutical and biotechnology industries, including executive leadership, and her experience overseeing commercial organizations and product launches.

Required Vote

Rallybio's bylaws provide for a majority voting standard for the election of directors in uncontested elections, which provides that to be elected, a director nominee must receive a greater number of votes FOR his or her election than votes AGAINST his or her election. The number of votes cast with respect to that director's election excludes abstentions and broker non-votes with respect to that director's election. In contested elections where the number of director nominees exceeds the number of directors to be elected, the voting standard will be a plurality of the shares present virtually in person or by proxy and entitled to vote.

The Merger is **not** conditioned upon the approval of the Director Election Proposal.

Unless otherwise instructed, it is the intention of the persons named in the accompanying proxy card to vote shares represented by properly executed proxy cards **"FOR"** the approval of the Director Election Proposal.

THE RALLYBIO BOARD UNANIMOUSLY RECOMMENDS THAT YOU VOTE “FOR” EACH OF THE DIRECTOR NOMINEES NAMED IN THE DIRECTOR ELECTION PROPOSAL

Directors Continuing in Office

The following table identifies Rallybio’s continuing directors and sets forth their principal occupation and business experience during the last five years and their ages as of March 6, 2026.

NAME	AGE	DIRECTOR SINCE	POSITION AND CLASS
Martin W. Mackay, Ph.D.	69	2018	Chairman (Class I)
Paula Soteropoulos	58	2020	Director (Class I)
Wendy K. Chung M.D., Ph.D.	57	2022	Director (Class III)
Robert Hopfner, R.Ph., Ph.D., M.B.A.	53	2020	Director (Class III)
Ronald Hunt, M.B.A.	61	2018	Director (Class III)
Hui Liu, Ph.D., M.B.A.	53	2022	Director (Class III)

Class I Directors (Term Expires at 2028 Annual Meeting)

Martin W. Mackay, Ph.D., is a co-founder of Rallybio and Chairman of Rallybio’s Board. From January 2018 until August 2023, Dr. Mackay served as Chief Executive Officer and Chairman of the Board of Directors of Rallybio, and from August 2023 until December 2024 he served as Executive Chairman. From March 2013 to December 2017, Dr. Mackay served as the Executive Vice President and Global Head of Research & Development at Alexion Pharmaceuticals, Inc., and from July 2010 to January 2013, Dr. Mackay served as the President of Research & Development at AstraZeneca PLC. Prior to AstraZeneca, Dr. Mackay worked at Pfizer for 15 years where he held positions of increasing responsibility, including president, head of pharmatherapeutics research and development. Dr. Mackay currently serves on the board of directors of Charles River Laboratories International, Inc. and Sail Biomedicines. He previously served as a director of 5AM Acquisition Co. from October 2020 until April 2022. Dr. Mackay served on the board of Novo Nordisk from 2018 through 2025, and on the board of SpringWorks Therapeutics through its acquisition by Merck KGaA in 2025. Dr. Mackay received a BSc First Class in microbiology from Heriot-Watt University and a Ph.D. in molecular genetics from the University of Edinburgh. We believe Dr. Mackay is qualified to serve on Rallybio’s Board because of his extensive experience serving on other boards and leading research and development organizations at both global pharmaceutical and biotechnology companies, which provides Rallybio’s Board with a valuable combination of expertise.

Paula Soteropoulos has served as a member of Rallybio’s Board since October 2020. Ms. Soteropoulos currently serves as Chairman of Ensoma, a private venture-backed company, serves on the board of directors of Metri Bio and Dianthus Therapeutics, Inc. She previously served as Chief Executive Officer and President of Akcea Therapeutics, Inc. a biopharmaceutical company, where she was also a member of the board of directors. Prior to Akcea, Ms. Soteropoulos served as Senior Vice President and General Manager, Cardiometabolic Business and Strategic Alliances at Moderna Therapeutics Inc., and prior to Moderna, she served in various roles of increasing responsibility at Genzyme Corporation, including as Vice President and General Manager, Cardiovascular, Rare Diseases. Ms. Soteropoulos served for 11 years on the board of directors of uniQure N.V. Ms. Soteropoulos also serves on advisory boards of Chiesi USA and Kyowa Kirin North America. Ms. Soteropoulos earned both a B.S. in chemical and biochemical engineering and an M.S. in chemical and biochemical engineering from Tufts University, and holds an executive management certificate from the Darden Graduate School of Business at the University of Virginia. Ms. Soteropoulos serves on the Advisory Board for the Chemical and Biological Engineering Department of Tufts University. We believe Ms. Soteropoulos is qualified to serve on Rallybio’s Board because of her extensive experience in the biotechnology industry, her executive leadership experience and her service on the board of directors of other public and private biopharmaceutical companies.

Class III Directors (Term Expires at 2027 Annual Meeting)

Wendy K. Chung M.D., Ph.D., has served as a member of Rallybio's Board since August 2022. Dr. Chung is an American Board of Medical Genetics certified clinical and molecular geneticist. Since July 2023, Dr. Chung has served as the Chair of the Department of Pediatrics at Boston Children's Hospital and on the faculty of Harvard Medical School. From February 2014 until July 2023, she led the Precision Medicine Resource in the Irving Institute at Columbia University. From July 2017 until July 2023, Dr. Chung was the Kennedy Family Professor of Pediatrics and Medicine at Columbia University, and had been on the faculty of Columbia University since 2002. Dr. Chung received her B.A. in Biochemistry from Cornell University, her M.D. from Cornell University Medical College, and her Ph.D. in Genetics from The Rockefeller University. We believe that Dr. Chung is qualified to serve on Rallybio's Board because of her extensive experience in medicine and research, and her service on other boards.

Robert Hopfner, R.Ph., Ph.D., M.B.A., has served as a member of Rallybio's Board since March 2020. Since October 2017, Dr. Hopfner has served as a Managing Partner at Pivotal bioVenture Partners LLC, a venture capital firm. Prior to Pivotal, Dr. Hopfner served as a Principal at Bay City Capital LLC, a venture capital firm, from June 2007 to October 2009 and as a Managing Director and Partner from October 2009 to September 2017. Dr. Hopfner currently serves as a board member of Evommune, Inc., and on the boards of directors of a number of private life sciences companies. Dr. Hopfner previously served on the board of directors of Vaxcyte, Inc., Oculis Holding AG and Inozyme Pharma Inc. Dr. Hopfner received a B.Sc. in Pharmacy and a Ph.D. in Pharmacology from the University of Saskatchewan and an M.B.A. from the University of Chicago. We believe Dr. Hopfner is qualified to serve on Rallybio's Board because of his experience in advising public and private life sciences companies, as well as his research in the pharmaceutical field.

Ronald Hunt, M.B.A., has served as a member of Rallybio's Board since 2018. Since 2005, Mr. Hunt has served as a Managing Director and Member of New Leaf Venture Partners, L.L.C., a venture capital firm. Previously, Mr. Hunt served at the Sprout Group, a venture capital firm and was a consultant with consulting firms Coopers & Lybrand Consulting and The Health Care Group, Inc. Mr. Hunt worked earlier in his career in various sales and marketing positions at Johnson & Johnson and SmithKline Beecham Pharmaceuticals PLC. Mr. Hunt currently serves as a director of Iterum Therapeutics, Ltd., a clinical-stage company, and on the boards of a number of private pharmaceutical and healthcare companies. Mr. Hunt previously served on the board of directors of Harpoon Therapeutics, Inc. Mr. Hunt received a B.S. from Cornell University and an M.B.A. from the Wharton School of the University of Pennsylvania. We believe Mr. Hunt is qualified to serve on Rallybio's Board because of his investment experience, his experience in the pharmaceutical industry and service on the board of directors of other public and private biopharmaceutical and biotechnology companies.

Hui Liu, Ph.D., M.B.A., as served as a member of Rallybio's Board since April 2022. Dr. Liu has been the Chief Executive Officer and board member of Olethros B.V. since August 2025. Dr. Liu has also been Chief Operating and Business Officer of Gyes B.V. since August 2025. Until July 2024, Dr. Liu was Chief Business Officer since December 2015 and Head of Merus U.S. since October 2018 of Merus N.V., a clinical-stage oncology company. From 2013 to 2015, Dr. Liu served as Vice President and Global Head, Business Development & Licensing, Oncology, and from 2009 to 2012 as Vice President and Global Head, Business Development & Licensing, Vaccines & Diagnostics, at Novartis AG. Prior to Novartis, Dr. Liu held positions of increasing responsibility in business development at Pfizer from 2004 to 2009 and in the R&D organization at Pfizer and its predecessor company Warner-Lambert from 1997 to 2001. From 2001 to 2004, Dr. Liu was an investment banker at Goldman Sachs and Citigroup. Dr. Liu received a Ph.D. in molecular biology and an M.B.A. in finance from the University of Michigan and a B.S. in biology from Peking University. We believe that Dr. Liu is qualified to serve on Rallybio's Board because of his extensive operational and business experience in the pharmaceutical and biotechnology industries, including executive leadership, and his transactional experience.

PROPOSAL NO. 6—THE AUDITOR RATIFICATION PROPOSAL

General

Rallybio's stockholders are being asked to ratify the selection by the audit committee of the Rallybio Board (the "audit committee") of Deloitte as Rallybio's independent registered public accounting firm for the fiscal year ending December 31, 2026. Deloitte has served as Rallybio's independent registered public accounting firm since 2018.

The audit committee annually reviews the independent registered public accounting firm's independence, including reviewing all relationships between the independent registered public accounting firm and us and any disclosed relationships or services that may impact the objectivity and independence of the independent registered public accounting firm, and the independent registered public accounting firm's performance. Although ratification is not required by Rallybio's bylaws or otherwise, the Rallybio Board is submitting the selection of Deloitte to Rallybio's stockholders for ratification as a matter of good corporate practice. If the selection is not ratified, the audit committee will consider whether it is appropriate to select another independent registered public accounting firm. Even if the selection is ratified, the audit committee in its discretion may select a different registered public accounting firm at any time during the year if the committee determines that such a change would be in the best interests of Rallybio and its stockholders.

A representative of Deloitte is expected to be present at the Rallybio annual meeting and will have an opportunity to make a statement if he or she desires to do so and to respond to appropriate questions from Rallybio's stockholders.

Policy on Audit Committee Pre-Approval of Audit and Permissible Non-Audit Services of Independent Registered Public Accounting Firm

The audit committee pre-approves all auditing services, internal control related services and permitted non-audit services (including the fees and terms thereof) to be performed by Deloitte, subject to the *de minimis* exception for non-audit services that are approved by the audit committee prior to the completion of an audit. The audit committee may delegate pre-approval authority to one or more members of the audit committee consistent with applicable law and listing standards, provided that the decisions of such audit committee member or members must be presented to the full audit committee at its next scheduled meeting. The audit committee is responsible for the audit fee negotiations associated with the retention of Deloitte.

Principal Accountant Fees and Services

Rallybio regularly reviews the services and fees of its independent registered public accounting firm. These services and fees are also reviewed by the audit committee on an annual basis. The aggregate fees billed for the fiscal years ended December 31, 2025 and 2024 for each of the following categories of services are as follows:

FEE CATEGORY	FISCAL YEAR ENDED	
	2025	2024
Audit Fees	\$ 764,105	\$ 832,578
Audit-Related Fees	—	—
Tax Fees	—	—
All Other Fees	3,828	3,828
Total Fees	<u>\$ 767,933</u>	<u>\$ 836,406</u>

Audit Fees. Audit fees for the fiscal years ended 2025 and 2024 consist of fees billed for professional services provided in connection with the audit of our annual financial statements, the review of our quarterly financial statements, and audit services that are normally provided by an independent registered public accounting firm in connection with regulatory filings and were \$764,105 and \$832,578, respectively. The audit fees for the fiscal year ended December 31, 2025 includes fees for professional services provided in connection with our Form S-8 registration statement filed in May 2025, including comfort letters, consents and review of documents filed with the

SEC, which totaled approximately \$65,000. The audit fees for the fiscal year ended December 31, 2024 includes fees for professional services provided in connection with our Form S-8 registration statement filed in March 2024, Rallybio's Form S-3 registration statement filed in May 2024, including comfort letters, consents and review of documents filed with the SEC, which totaled approximately \$100,000.

Tax Fees. There were no tax fees for the fiscal year ended 2025 and 2024.

All Other Fees. All other fees represent payment for access to Deloitte & Touche LLP online software tools.

The Audit Committee pre-approved all services performed since the pre-approval policy was adopted.

Required Vote

The affirmative vote of a majority of the votes properly cast for and against by the holders of Rallybio Common Stock entitled to vote on at the Rallybio annual meeting is required to approve the Auditor Ratification Proposal. Abstentions and broker non-votes (if any) will have no effect on the outcome of the vote on the Auditor Ratification Proposal.

The Merger is **not** conditioned upon the approval of the Auditor Ratification Proposal.

Unless otherwise instructed, it is the intention of the persons named in the accompanying proxy card to vote shares represented by properly executed proxy cards **"FOR"** the approval of the Auditor Ratification Proposal.

THE RALLYBIO BOARD UNANIMOUSLY RECOMMENDS THAT YOU VOTE "FOR" THE AUDITOR RATIFICATION PROPOSAL.

REPORT OF THE AUDIT COMMITTEE

The information contained in this report shall not be deemed to be “soliciting material” or “filed” or incorporated by reference in future filings with the SEC, or subject to the liabilities of Section 18 of the Exchange Act, except to the extent that Rallybio specifically incorporates it by reference into a document filed under the Securities Act or the Exchange Act.

We operate in accordance with a written charter adopted by our Board of Directors and reviewed annually by the audit committee. We are responsible for overseeing the quality and integrity of Rallybio's accounting, auditing and financial reporting practices. In accordance with the rules of the SEC and Nasdaq, the audit committee is composed entirely of members who are independent, as defined by the listing standards of Nasdaq and Rallybio's Corporate Governance Guidelines. Further, the Rallybio Board has determined that one of our members (Ms. Boudreau) is an audit committee financial expert as defined by the rules of the SEC.

We met 4 times during the fiscal year 2025 with Rallybio's management and Deloitte & Touche LLP (“Deloitte”), Rallybio's independent registered public accounting firm, including, but not limited to, meetings held to review and discuss the annual audited and quarterly financial statements and Rallybio's earnings press releases.

We believe that we fully discharged our oversight responsibilities as described in our charter, including with respect to the audit process. We reviewed and discussed our audited financial statements for the fiscal year ended December 31, 2025, with management and Deloitte. Management has the responsibility for the preparation of Rallybio's financial statements, and Deloitte has the responsibility for the audit of those statements. We discussed with Deloitte the matters required to be discussed by Public Company Accounting Oversight Board (“PCAOB”), Auditing Standard No. 1301 and the SEC. We received the written disclosures and the letter from Deloitte pursuant to Rule 3526, Communication with Audit Committees Concerning Independence, of the PCAOB, concerning any relationships between Deloitte and Rallybio and the potential effects of any disclosed relationships on Deloitte's independence, and discussed with Deloitte its independence. We reviewed with Deloitte their audit plans, audit scope, identification of audit risks and their audit efforts, and discussed and reviewed the results of Deloitte's examination of Rallybio's financial statements both with and without management.

We considered any fees paid to Deloitte for the provision of non-audit related services and do not believe that these fees compromise Deloitte's independence in performing the audit.

Based on these reviews and discussions with management and Deloitte, we approved the inclusion of Rallybio Corporation's audited financial statements in its Annual Report on Form 10-K for the fiscal year ended December 31, 2025 for filing with the SEC. We also have selected Deloitte as the independent registered public accounting firm for the fiscal year ending December 31, 2026, subject to ratification by Rallybio Corporation's stockholders.

Members of the Rallybio Audit Committee
Helen M. Boudreau, M.B.A., Chair
Robert Hopfner, R.Ph., Ph.D., M.B.A.
Ronald Hunt, M.B.A.
Hui Liu, Ph.D., M.B.A.

PROPOSAL NO. 7—THE 2026 PLAN PROPOSAL

Unless otherwise indicated or the context otherwise requires, references in this section to the “Company,” “we,” “our,” “us,” or similar terms refer to the combined company and its subsidiaries following the Merger.

Overview

Rallybio stockholders are also being asked to consider and vote upon the 2026 Plan Proposal to approve the combined company's 2026 Equity Incentive Plan (the “2026 Plan”). The Rallybio Board initially approved the 2026 Plan on March 16, 2026, subject to Rallybio stockholder approval. If the Rallybio stockholders approve the 2026 Plan, the parties have agreed under the terms of the Merger Agreement that the 2026 Plan will become effective on the date immediately following the consummation of the Merger. If the 2026 Plan is not approved by the Rallybio stockholders, it will not become effective and no awards will be granted thereunder. The 2026 Plan is described in more detail below.

The summary is qualified in its entirety by reference to the text of the 2026 Plan, a copy of which is attached as Annex L to this proxy statement/prospectus. Rallybio stockholders should refer to the 2026 Plan for more complete and detailed information about the terms and conditions of the 2026 Plan.

2026 Equity Incentive Plan

The 2026 Plan will be the successor to and continuation of the Rallybio Corporation 2021 Equity Incentive Plan (the “2021 Plan”). Once the 2026 Plan becomes effective, no further grants will be made under the 2021 Plan.

Eligibility. Any individual who is an employee of us or any of our affiliates, or any person who provides services to us or our affiliates, including members of our board of directors, is eligible to receive awards under the 2026 Plan at the discretion of the plan administrator. If the 2026 Plan Proposal is approved by the Rallybio stockholders, all of our nonemployee directors (presently expected to be six individuals), all of employees, and consultants (as of) expected to continue with us after the Merger will be eligible to receive awards following the consummation of the Merger.

Types of Awards. The 2026 Plan provides for the grant of incentive stock options (“ISOs”) to employees, including employees of any parent or subsidiary, and for the grant of nonstatutory stock options (“NSOs”), stock appreciation rights, restricted stock awards, restricted stock unit awards, performance awards and other forms of stock awards to employees, directors, and consultants, including employees and consultants of our affiliates.

Authorized Shares. If the request to approve the 2026 Plan is approved by Rallybio's stockholders, a number of shares of our common stock will be available for grant under the 2026 Plan equal to (a) the product of (i) fifteen percent (15%), multiplied by (ii) the total number of shares of our common stock outstanding plus all shares of our common stock issuable upon conversion or exercise of outstanding securities and rights, including (without limitation) preferred stock on an as-converted basis, equity awards, warrants (including pre-funded warrants), and any convertible indebtedness or similar instruments, whether or not then vested or exercisable, determined on the effective date of the 2026 Plan, subject to adjustment for specified changes in our capitalization (the “Share Reserve”), plus (b) up to the number of shares of our common stock subject to outstanding stock awards granted under the 2021 Plan that, on or after the 2026 Plan becomes effective, expire or otherwise terminate prior to exercise or settlement; are not issued because the stock award is settled in cash; are forfeited or repurchased because of the failure to vest; or are reacquired or withheld to satisfy a tax withholding obligation or the purchase or exercise price if any, as such shares becomes available from time to time. Shares issued in connection with a merger or acquisition as permitted by applicable stock exchange listing rules, including Nasdaq Listing Rule 5635(c), will not reduce the number of shares available for issuance under the 2026 Plan. Accordingly, any Candid stock options that are converted into our common stock as part of the Merger are not counted against the foregoing equity pool established by the 2026 Plan. In addition, the number of shares of our common stock reserved for issuance under the 2026 Plan will automatically increase on January 1 of each calendar year, starting on January 1, 2027 through January 1, 2036, in an amount equal to 5% of the total number of shares of our common stock outstanding plus all shares of our common stock issuable upon conversion or exercise of outstanding securities and rights, including (without limitation) preferred stock on an as-converted basis, equity awards, warrants (including pre-funded warrants), and any convertible indebtedness or similar instruments, whether or not then vested or exercisable, on December 31 of the preceding

year, or a lesser number of shares determined by our board of directors. The maximum number of shares of our common stock that may be issued on the exercise of ISOs under the 2026 Plan is equal to three multiplied by the Share Reserve. As of _____, the record date for the Rallybio annual meeting, the closing price of Rallybio Common Stock as reported on Nasdaq was \$ _____ per share.

Shares subject to stock awards granted under the 2026 Plan that expire or terminate without being exercised in full, or that are paid out in cash rather than in shares, do not reduce the number of shares available for issuance under the 2026 Plan. Additionally, shares become available for future grant under the 2026 Plan if they were issued stock awards under the 2026 Plan and we repurchase them or they are forfeited because of a failure to meet a contingency or condition required for the vesting of such shares, or if such shares are used to pay the exercise price of a stock award or to satisfy the tax withholding obligations related to a stock award.

Plan Administration. Our board of directors, or a duly authorized committee of our board of directors, will administer the 2026 Plan. Our board of directors may delegate concurrent authority to administer the 2026 Plan to our compensation committee under the terms of our compensation committee's charter. We sometimes refer to our board of directors, or the applicable committee with the power to administer our equity incentive plans, as the administrator. The administrator may also delegate to one or more persons or bodies the authority to (i) designate employees (other than officers) to receive specified awards, and (ii) determine the number of shares subject to such awards. Such persons or bodies may not grant a stock award to themselves and neither our board nor any committee may delegate authority to any person or body (who is not a member of our board or such body that is not comprised solely of members of our board) the authority to determine the fair market value of our common stock for purposes of the 2026 Plan.

The administrator has the authority to determine the terms of awards, including recipients, the exercise, purchase or strike price of awards, if any, the number of shares subject to each award, the fair market value of a share of common stock, the vesting schedule applicable to the awards, together with any vesting acceleration, and the form of consideration, if any, payable upon exercise or settlement of the award and the terms of the award agreements for use under the 2026 Plan.

In addition, subject to the terms of the 2026 Plan, the administrator also has the power to modify outstanding awards under the 2026 Plan, including the authority to reprice any outstanding option or stock appreciation right, cancel and re-grant any outstanding option or stock appreciation right in exchange for new stock awards, cash or other consideration, or take any other action that is treated as a repricing under generally accepted accounting principles, with the consent of any materially adversely affected participant.

Stock Options. ISOs and NSOs are granted under stock option agreements adopted by the administrator. The administrator determines the exercise price for stock options, within the terms and conditions of the 2026 Plan, provided that the exercise price of a stock option generally cannot be less than 100% of the fair market value of our common stock on the date of grant. Options granted under the 2026 Plan vest at the rate specified in the stock option agreement as determined by the administrator.

Tax Limitations on ISOs. The aggregate fair market value, determined at the time of grant, of our common stock with respect to ISOs that are exercisable for the first time by an optionholder during any calendar year under all of our stock plans may not exceed \$100,000. Options or portions thereof that exceed such limit will generally be treated as NSOs. No ISO may be granted to any person who, at the time of the grant, owns or is deemed to own stock possessing more than 10% of our total combined voting power or that of any of our affiliates unless (i) the option exercise price is at least 110% of the fair market value of the stock subject to the option on the date of grant; and (ii) the option is not exercisable after the expiration of five years from the date of grant.

Restricted Stock Unit Awards. Restricted stock units are granted under restricted stock unit award agreements adopted by the administrator. Restricted stock units may be granted in consideration for any form of legal consideration that may be acceptable to our board of directors and permissible under applicable law. A restricted stock unit may be settled by cash, delivery of stock, a combination of cash and stock as deemed appropriate by the administrator, or in any other form of consideration set forth in the restricted stock unit agreement. Additionally, dividend equivalents may be credited in respect of shares covered by a restricted stock unit. Except as otherwise provided in the applicable award agreement, restricted stock units that have not vested will be forfeited once the participant's continuous service ends for any reason.

Restricted Stock Awards. Restricted stock awards are granted under restricted stock award agreements adopted by the administrator. A restricted stock award may be awarded in consideration for cash, check, bank draft or money order, past services to us, or any other form of legal consideration that may be acceptable to our board of directors and permissible under applicable law. The administrator determines the terms and conditions of restricted stock awards, including vesting and forfeiture terms. If a participant's service relationship with us ends for any reason, we may receive any or all of the shares of our common stock held by the participant that have not vested as of the date the participant terminates service with us through a forfeiture condition or a repurchase right.

Stock Appreciation Rights. Stock appreciation rights are granted under stock appreciation grant agreements adopted by the administrator. The administrator determines the purchase price or strike price for a stock appreciation right, which generally cannot be less than 100% of the fair market value of our common stock on the date of grant. A stock appreciation right granted under the 2026 Plan vests at the rate specified in the stock appreciation right agreement as determined by the administrator.

Performance Awards. The 2026 Plan permits the grant of performance-based stock and cash awards. The administrator may structure awards so that the shares of our stock, cash, or other property will be issued or paid only following the achievement of certain pre-established performance goals during a designated performance period. The performance criteria that will be used to establish such performance goals may be based on any one of, or combination of, the following as determined by the administrator: earnings (including earnings per share and net earnings); earnings before interest, taxes and depreciation; earnings before interest, taxes, depreciation and amortization; total stockholder return; return on equity or average stockholder's equity; return on assets, investment, or capital employed; share price; margin (including gross margin); income (before or after taxes); operating income; operating income after taxes; pre-tax profit; operating cash flow; sales or revenue targets; increases in revenue or product revenue; expenses and cost reduction goals; improvement in or attainment of working capital levels; economic value added (or an equivalent metric); market share; cash flow; cash flow per share; share price performance; debt reduction; customer satisfaction; stockholder's equity; capital expenditures; debt levels; operating profit or net operating profit; workforce diversity; growth of net income or operating income; billings; financing; regulatory milestones; stockholder liquidity; corporate governance and compliance; intellectual property; personnel matters; progress of internal research; progress of partnered programs; partner satisfaction; budget management; partner or collaborator achievements; internal controls, including those related to the Sarbanes-Oxley Act of 2002; investor relations, analysts and communication; implementation or completion of projects or processes; employee retention; number of users, including unique users; strategic partnerships or transactions (including in-licensing and out-licensing of intellectual property); establishing relationships with respect to the marketing, distribution and sale of the Company's products, if approved; supply chain achievements; co-development, co-marketing, profit sharing, joint venture or other similar arrangements; individual performance goals; corporate development and planning goals; and other measures of performance selected by the administrator.

The performance goals may be based on a company-wide basis, with respect to one or more business units, divisions, affiliates, or business segments, and in either absolute terms or relative to the performance of one or more comparable companies or the performance of one or more relevant indices. Unless specified otherwise (i) in the award agreement at the time the award is granted or (ii) in such other document setting forth the performance goals at the time the goals are established, we will appropriately make adjustments in the method of calculating the attainment of performance goals as follows: (1) to exclude restructuring and/or other nonrecurring charges; (2) to exclude exchange rate effects; (3) to exclude the effects of changes to generally accepted accounting principles; (4) to exclude the effects of any statutory adjustments to corporate tax rates; (5) to exclude the effects of items that are "unusual" in nature or occur "infrequently" as determined under generally accepted accounting principles; (6) to exclude the dilutive effects of acquisitions or joint ventures; (7) to assume that any business divested by us achieved performance objectives at targeted levels during the balance of a performance period following such divestiture; (8) to exclude the effect of any change in the outstanding shares of our common stock by reason of any stock dividend or split, stock repurchase, reorganization, recapitalization, merger, consolidation, spin-off, combination or exchange of shares or other similar corporate change, or any distributions to common stockholders other than regular cash dividends; (9) to exclude the effects of stock based compensation and the award of bonuses under our bonus plans; (10) to exclude costs incurred in connection with potential acquisitions or divestitures that are required to be expensed under generally accepted accounting principles; and (11) to exclude the goodwill and intangible asset

impairment charges that are required to be recorded under generally accepted accounting principles. In addition, we retain the discretion to reduce or eliminate the compensation or economic benefit due upon attainment of the goals. The performance goals may differ from participant to participant and from award to award.

Other Stock Awards. The administrator may grant other awards based in whole or in part by reference to our common stock. The administrator will set the number of shares under the stock award and all other terms and conditions of such awards.

Non-Employee Director Compensation Limit. The aggregate value of all compensation granted or paid to any non-employee director with respect to any calendar year, including stock awards granted and cash fees paid by us to such non-employee director, will not exceed \$750,000 in total value, or in the event such non-employee director is first appointed or elected to the board during such calendar year, \$1,000,000 in total value (in each case, calculating the value of any such stock awards based on the grant date fair value of such stock awards for financial reporting purposes).

Changes to Capital Structure. In the event there is a specified type of change in our capital structure, such as a stock split, reverse stock split, or recapitalization, appropriate adjustments will be made to (i) the class and maximum number of shares reserved for issuance under the 2026 Plan, (ii) the class and maximum number of shares by which the Share Reserve may increase automatically each year, (iii) the class and maximum number of shares that may be issued on the exercise of ISOs, and (iv) the class and number of shares and exercise price, strike price, or purchase price, if applicable, of all outstanding stock awards.

Corporate Transactions. The following applies to stock awards under the 2026 Plan in the event of a corporate transaction, unless otherwise provided in a participant's stock award agreement or other written agreement with us or one of our affiliates or unless otherwise expressly provided by the administrator at the time of grant.

In the event of a corporate transaction, any stock awards outstanding under the 2026 Plan may be assumed, continued or substituted for by any surviving or acquiring corporation (or its parent company), and any reacquisition or repurchase rights held by us with respect to the stock award may be assigned to the successor (or its parent company). If the surviving or acquiring corporation (or its parent company) does not assume, continue or substitute for such stock awards, then with respect to any such stock awards that are held by participants whose continuous service has not terminated prior to the effective time of the transaction, or current participants, the vesting (and exercisability, if applicable) of such stock awards will be accelerated in full to a date prior to the effective time of the transaction (contingent upon the effectiveness of the transaction), and such stock awards will terminate if not exercised (if applicable) at or prior to the effective time of the transaction, and any reacquisition or repurchase rights held by us with respect to such stock awards will lapse (contingent upon the effectiveness of the transaction). With respect to performance awards with multiple vesting levels depending on performance level, unless otherwise provided by an award agreement or by the administrator, the award will accelerate at 100% of target. If the surviving or acquiring corporation (or its parent company) does not assume, continue or substitute for such stock awards, then with respect to any such stock awards that are held by persons other than current participants, such awards will terminate if not exercised (if applicable) prior to the effective time of the transaction, except that any reacquisition or repurchase rights held by us with respect to such stock awards will not terminate and may continue to be exercised notwithstanding the transaction. The administrator is not obligated to treat all stock awards or portions of stock awards in the same manner and is not obligated to take the same actions with respect to all participants.

In the event a stock award will terminate if not exercised prior to the effective time of a transaction, the administrator may provide, in its sole discretion, that the holder of such stock award may not exercise such stock award but instead will receive a payment equal in value to the excess (if any) of (i) the value of the property the participant would have received upon the exercise of the stock award over (ii) any exercise price payable by such holder in connection with such exercise.

Under the 2026 Plan, a corporate transaction is defined to include the consummation, in a single transaction or in a series of related transactions, of any one or more of the following events: (i) a sale or disposition of all or substantially all of our assets; (ii) a sale or disposition of more than 50% of our outstanding securities; (iii) a merger, consolidation or similar transaction where we do not survive the transaction; and (iv) a merger or consolidation where

we do survive the transaction but the shares of our common stock outstanding before such transaction are converted or exchanged into other property by virtue of the transaction, unless otherwise provided in an award agreement or other written agreement between us and the award holder.

Change in Control. In the event of a change in control, as defined under the 2026 Plan, awards granted under the 2026 Plan will not receive automatic acceleration of vesting and exercisability, although this treatment may be provided for in an award agreement.

Under the 2026 Plan, a change in control is defined to include: (i) the acquisition by any person or company of more than 50% of the combined voting power of our then outstanding stock; (ii) a consummated merger, consolidation or similar transaction in which our stockholders immediately before the transaction do not own, directly or indirectly, more than 50% of the combined voting power of the surviving entity (or the parent of the surviving entity); (iii) a consummated sale, lease, exclusive license or other disposition of all or substantially all of our assets other than to an entity more than 50% of the combined voting power of which is owned by our stockholders; and (iv) an unapproved change in the majority of the board of directors.

Transferability. A participant may not transfer stock awards under the 2026 Plan other than by will, the laws of descent and distribution, or as otherwise provided under the 2026 Plan.

Plan Amendment or Termination. Our board of directors has the authority to amend, suspend, or terminate the 2026 Plan, provided that such action does not materially impair the existing rights of any participant without such participant's written consent. Certain material amendments also require the approval of our stockholders. No ISOs may be granted after the tenth anniversary of the date our board of directors adopted the 2026 Plan. No stock awards may be granted under the 2026 Plan while it is suspended or after it is terminated.

Clawback Policy. All awards granted under the 2026 Plan will be subject to recoupment in accordance with any clawback policy that the combined company is required to adopt pursuant to the listing standards of any national securities exchange or association on which the combined company's securities are listed or as is otherwise required by the Dodd-Frank Wall Street Reform and Consumer Protection Act or other applicable law, and any clawback policy that the combined company otherwise adopts, to the extent applicable and permissible under applicable law. In addition, the board of directors may impose such other clawback, recovery or recoupment provisions in an award agreement as the board determines necessary or appropriate, including but not limited to a reacquisition right in respect of previously acquired shares of common stock or other cash or property upon the occurrence of cause. No recovery of compensation under such a clawback policy will be an event giving rise to a participant's right to voluntarily terminate employment upon a "resignation for good reason," or for a "constructive termination" or any similar term under any plan of or agreement with the combined company.

U.S. Federal Income Tax Consequences

The following is a summary of the principal U.S. federal income tax consequences to participants and the combined company with respect to participation in the 2026 Plan, which will not become effective until the date immediately following the consummation of the Merger. This summary is not intended to be exhaustive and does not discuss the income tax laws of any local, state or foreign jurisdiction in which a participant may reside. The information is based upon current U.S. federal income tax rules and therefore is subject to change when those rules change. Because the tax consequences to any participant may depend on his or her particular situation, each participant should consult the participant's tax adviser regarding the federal, state, local and other tax consequences of the grant or exercise of an award or the disposition of stock acquired under the 2026 Plan. The 2026 Plan is not qualified under the provisions of Section 401(a) of the Code and is not subject to any of the provisions of the Employee Retirement Income Security Act of 1974, as amended. The combined company's ability to realize the benefit of any tax deductions described below depends on the combined company's generation of taxable income as well as the requirement of reasonableness and the satisfaction of the combined company's tax reporting obligations.

Tax Consequences to the Participants

Nonstatutory Stock Options. Generally, there is no taxation upon the grant of a nonstatutory stock option. Upon exercise, a participant will recognize ordinary income equal to the excess, if any, of the fair market value of the

underlying stock on the date of exercise of the stock option over the exercise price. If the participant is employed by the combined company or one of its affiliates, that income will be subject to withholding taxes. The participant's tax basis in those shares will be equal to their fair market value on the date of exercise of the stock option, and the participant's capital gain holding period for those shares will begin on the day after they are transferred to the participant. Subject to the requirement of reasonableness, the deduction limits under Section 162(m) of the Code and the satisfaction of a tax reporting obligation, the combined company will generally be entitled to a tax deduction equal to the taxable ordinary income realized by the participant.

Incentive Stock Options. The 2026 Plan provides for the grant of stock options that are intended to qualify as "incentive stock options," as defined in Section 422 of the Code. Under the Code, a participant generally is not subject to ordinary income tax upon the grant or exercise of an ISO. If the participant holds a share received upon exercise of an ISO for more than two years from the date the stock option was granted and more than one year from the date the stock option was exercised, which is referred to as the required holding period, the difference, if any, between the amount realized on a sale or other taxable disposition of that share and the participant's tax basis in that share will be long-term capital gain or loss. If, however, a participant disposes of a share acquired upon exercise of an ISO before the end of the required holding period, which is referred to as a disqualifying disposition, the participant generally will recognize ordinary income in the year of the disqualifying disposition equal to the excess, if any, of the fair market value of the share on the date of exercise of the stock option over the exercise price. However, if the sales proceeds are less than the fair market value of the share on the date of exercise of the stock option, the amount of ordinary income recognized by the participant will not exceed the gain, if any, realized on the sale. If the amount realized on a disqualifying disposition exceeds the fair market value of the share on the date of exercise of the stock option, that excess will be short-term or long-term capital gain, depending on whether the holding period for the share exceeds one year. For purposes of the alternative minimum tax, the amount by which the fair market value of a share of stock acquired upon exercise of an ISO exceeds the exercise price of the stock option generally will be an adjustment included in the participant's alternative minimum taxable income for the year in which the stock option is exercised. If, however, there is a disqualifying disposition of the share in the year in which the stock option is exercised, there will be no adjustment for alternative minimum tax purposes with respect to that share. In computing alternative minimum taxable income, the tax basis of a share acquired upon exercise of an ISO is increased by the amount of the adjustment taken into account with respect to that share for alternative minimum tax purposes in the year the stock option is exercised. The combined company is not allowed a tax deduction with respect to the grant or exercise of an ISO or the disposition of a share acquired upon exercise of an ISO after the required holding period. If there is a disqualifying disposition of a share, however, the combined company will generally be entitled to a tax deduction equal to the taxable ordinary income realized by the participant, subject to the requirement of reasonableness, the deduction limits under Section 162(m) of the Code and provided that either the employee includes that amount in income or the combined company timely satisfies its reporting requirements with respect to that amount.

Restricted Stock Awards. Generally, the recipient of a restricted stock award will recognize ordinary income at the time the stock is received equal to the excess, if any, of the fair market value of the stock received over any amount paid by the recipient in exchange for the stock. If, however, the stock is subject to restrictions constituting a substantial risk of forfeiture when it is received (for example, if the employee is required to work for a period of time in order to have the right to transfer or sell the stock), the recipient generally will not recognize income until the restrictions constituting a substantial risk of forfeiture lapse, at which time the recipient will recognize ordinary income equal to the excess, if any, of the fair market value of the stock on the date it becomes vested over any amount paid by the recipient in exchange for the stock. A recipient may, however, file an election with the IRS, within 30 days following the date of grant, to recognize ordinary income, as of the date of grant, equal to the excess, if any, of the fair market value of the stock on the date the award is granted over any amount paid by the recipient for the stock. The recipient's basis for the determination of gain or loss upon the subsequent disposition of shares acquired from a restricted stock award will be the amount paid for such shares plus any ordinary income recognized either when the stock is received or when the restrictions constituting a substantial risk of forfeiture lapse. Subject to the requirement of reasonableness, the deduction limits under Section 162(m) of the Code and the satisfaction of a tax reporting obligation, the combined company will generally be entitled to a tax deduction equal to the taxable ordinary income realized by the recipient of the restricted stock award.

Restricted Stock Unit Awards. Generally, the recipient of a restricted stock unit award will generally recognize ordinary income at the time the stock is delivered equal to the excess, if any, of (i) the fair market value of the stock received over any amount paid by the recipient in exchange for the stock or (ii) the amount of cash paid to the participant. The recipient's basis for the determination of gain or loss upon the subsequent disposition of shares acquired from a restricted stock unit award will be the amount paid for such shares plus any ordinary income recognized when the stock is delivered, and the participant's capital gain holding period for those shares will begin on the day after they are transferred to the participant. Subject to the requirement of reasonableness, the deduction limits under Section 162(m) of the Code and the satisfaction of a tax reporting obligation, the combined company will generally be entitled to a tax deduction equal to the taxable ordinary income realized by the recipient of the restricted stock unit award.

Stock Appreciation Rights. Generally, the recipient of a stock appreciation right will recognize ordinary income equal to the fair market value of the stock or cash received upon such exercise. Subject to the requirement of reasonableness, the deduction limits under Section 162(m) of the Code and the satisfaction of a tax reporting obligation, the combined company will generally be entitled to a tax deduction equal to the taxable ordinary income realized by the recipient of the stock appreciation right.

Tax Consequences to the Combined Company

Compensation of Covered Employees. The ability of the combined company to obtain a deduction for amounts paid under the 2026 Plan could be limited by Section 162(m) of the Code. Section 162(m) of the Code limits the combined company's ability to deduct compensation, for U.S. federal income tax purposes, paid during any year to a "covered employee" (within the meaning of Section 162(m) of the Code) in excess of \$1 million.

Golden Parachute Payments. The ability of the combined company (or the ability of one of its subsidiaries) to obtain a deduction for future payments under the 2026 Plan could also be limited by the golden parachute rules of Section 280G of the Code, which prevent the deductibility of certain "excess parachute payments" made in connection with a change in control of an employer-corporation.

New Plan Benefits

The awards, if any, that will be made to eligible persons under the 2026 Plan are subject to the discretion of the combined company's board of directors. Therefore, Rallybio cannot currently determine the benefits or number of shares subject to awards that may be granted in the future nor may it determine the amounts that would have been granted in the last completed fiscal year if the 2026 Plan had been in effect.

Registration with the SEC

If the 2026 Plan is approved by Rallybio's stockholders and becomes effective, the combined company intends to file a registration statement on Form S-8 registering the shares reserved for issuance under the 2026 Plan as soon as reasonably practicable after the combined company becomes eligible to use such form.

Required Vote

The affirmative vote of a majority of the total votes cast by the holders of Rallybio Common Stock entitled to vote at the Rallybio annual meeting, assuming a quorum is present, is required to approve the 2026 Plan Proposal. Abstentions and broker non-votes will be treated as shares present for purposes of determining the presence of a quorum for the transaction of business at the Rallybio annual meeting, but will not be counted as votes cast and will have no effect on the outcome of the vote on the 2026 Plan Proposal.

The 2026 Plan Proposal is conditioned on the consummation of the Merger. If the Merger is not consummated, the 2026 Plan Proposal will have no effect, even if approved by Rallybio's stockholders.

The Merger is not conditioned upon the approval of the 2026 Plan Proposal.

Unless otherwise instructed, it is the intention of the persons named in the accompanying proxy card to vote shares represented by properly executed proxy cards "FOR" the approval of the 2026 Plan Proposal.

**THE RALLYBIO BOARD UNANIMOUSLY RECOMMENDS THAT YOU
VOTE "FOR" THE 2026 PLAN PROPOSAL**

PROPOSAL NO. 8—THE 2026 ESPP PROPOSAL

Unless otherwise indicated or the context otherwise requires, references in this section to the “Company,” “we,” “our,” “us,” or similar terms refer to the combined company and its subsidiaries following the Merger.

Overview

Rallybio stockholders are also being asked to consider and vote upon the 2026 ESPP Proposal to approve the combined company's 2026 Employee Stock Purchase Plan (the “2026 ESPP”). The Rallybio Board initially approved the 2026 Plan on March 16, 2026, subject to Rallybio stockholder approval. If the Rallybio stockholders approve the 2026 ESPP Proposal, the parties have agreed under the terms of the Merger Agreement that the 2026 ESPP will become effective on the date immediately following the consummation of the Merger. If the 2026 ESPP is not approved by the Rallybio stockholders, it will not become effective. The 2026 ESPP is described in more detail below.

The summary is qualified in its entirety by reference to the text of the 2026 ESPP, a copy of which is attached as *Annex M* to this proxy statement/prospectus. Rallybio stockholders should refer to the 2026 ESPP for a more complete and detailed information about the terms and conditions of the 2026 ESPP.

2026 Employee Stock Purchase Plan

The purpose of the 2026 ESPP is to secure and retain the services of new employees, to retain the services of existing employees, and to provide incentives for such individuals to exert maximum efforts toward our success and that of our affiliates. Our 2026 ESPP will include two components. One component will be designed to allow eligible U.S. employees to purchase our common stock in a manner that may qualify for favorable tax treatment under Section 423 of the Code. The other component will permit the grant of purchase rights that do not qualify for such favorable tax treatment in order to allow deviations necessary to permit participation by eligible employees who are foreign nationals or employed outside of the U.S. while complying with applicable foreign laws. The 2026 ESPP will serve as the go-forward employee stock purchase plan for the combined company, and the combined company expects to commence offerings under the 2026 ESPP following the current offering period under the Rallybio Corporation 2021 Employee Stock Purchase Plan.

Eligibility. Our employees and the employees of any of our designated affiliates, will be eligible to participate in the 2026 ESPP, provided they may have to satisfy one or more of the following service requirements before participating in the 2026 ESPP, as determined by the administrator:

(1) customary employment with us or one of our affiliates for more than 20 hours per week and more than five months per calendar year or
(2) continuous employment with us or one of our affiliates for a minimum period of time, not to exceed two years, prior to the first date of an offering. In addition, our board of directors may also exclude from participation in the 2026 ESPP or any offering, employees who are “highly compensated employees” (within the meaning of Section 423(b)(4)(D) of the Code) or a subset of such highly compensated employees. If this 2026 ESPP Proposal is approved by the Rallybio stockholders, all of our employees and our related corporations (as of) will be eligible to participate in the 2026 ESPP following the consummation of the Merger. An employee may not be granted rights to purchase stock under the 423 Component of the 2026 ESPP (a) if such employee immediately after the grant would own stock (including stock issuable upon exercise of all such employee's purchase rights) possessing 5% or more of the total combined voting power or value of all classes of our common stock or (b) to the extent that such rights would accrue at a rate that exceeds \$25,000 worth of our common stock for each calendar year that the rights remain outstanding. Our board of directors may approve different eligibility rules for the Non-423 Component.

Share Reserve. The 2026 ESPP authorizes the issuance of shares of our common stock under purchase rights granted to our employees or to employees of any of our designated affiliates. Following the consummation of the Merger, the maximum number of shares of our common stock that may be issued under the 2026 ESPP will not exceed the number of shares of our common stock equal to 1% of the total number of shares of our common stock outstanding plus all shares of our common stock issuable upon conversion or exercise of outstanding securities and rights, including (without limitation) preferred stock on an as-converted basis, equity awards, warrants (including pre-funded warrants), and any convertible indebtedness or similar instruments, whether or not then vested or exercisable, determined on the effective date of the 2026 ESPP, subject to adjustment for specified changes in our

capitalization (the "Initial Share Reserve"). Additionally, the number of shares of our common stock reserved for issuance will automatically increase on January 1 of each calendar year, beginning on January 1, 2027 (assuming the 2026 ESPP becomes effective in 2026) through January 1, 2036, by the lesser of (i) 1% of the total number of shares of our common stock outstanding plus all shares of our common stock issuable upon conversion or exercise of outstanding securities and rights, including (without limitation) preferred stock on an as-converted basis, equity awards, warrants (including pre-funded warrants), and any convertible indebtedness or similar instruments, whether or not then vested or exercisable, on December 31 of the preceding calendar year, and (ii) a number of shares equal to three times the Initial Share Reserve; provided that before the date of any such increase, our board of directors may determine that such increase will be less than the amount set forth in clauses (i) and (ii). As of _____, the record date for the Rallybio annual meeting, the closing price of Rallybio Common Stock as reported on Nasdaq was \$ _____ per share.

Administration. Our board of directors, or a duly authorized committee thereof, will administer our 2026 ESPP. Our board may delegate concurrent authority to administer the 2026 ESPP to our compensation committee under the terms of the compensation committee's charter. The 2026 ESPP is implemented through a series of offerings under which eligible employees are granted purchase rights to purchase shares of our common stock on specified dates during such offerings. Under the 2026 ESPP, we may specify offerings with durations of not more than 27 months and may specify shorter purchase periods within each offering. Each offering will have one or more purchase dates on which shares of our common stock will be purchased for employees participating in the offering. An offering under the 2026 ESPP may be terminated under certain circumstances.

Payroll Deductions. Generally, all regular employees, including executive officers, employed by us or by any of our designated affiliates, will be eligible to participate in the 2026 ESPP and to contribute, normally through payroll deductions, up to a maximum percentage of their earnings (as defined in the 2026 ESPP) or up to a set dollar amount for the purchase of our common stock under the 2026 ESPP. Unless otherwise determined by our board of directors, common stock will be purchased for the accounts of employees participating in the 2026 ESPP at a price per share that is at least the lesser of (i) 85% of the fair market value of a share of our common stock on the first date of an offering; or (ii) 85% of the fair market value of a share of our common stock on the date of purchase.

Limitations. Employees may have to satisfy one or more of the following service requirements before participating in the 2026 ESPP, as determined by our board of directors, including: (i) customary employment with us or one of our affiliates for more than 20 hours per week and more than five months per calendar year; or (ii) continuous employment with us or one of our affiliates for a minimum period of time (not to exceed two years). No employee may purchase shares under the 2026 ESPP at a rate in excess of \$25,000 worth of our common stock based on the fair market value per share of our common stock at the beginning of an offering for each year such a purchase right is outstanding. Finally, no employee will be eligible for the grant of any purchase rights under the 2026 ESPP if immediately after such rights are granted, such employee has voting power over 5% or more of our outstanding capital stock measured by vote or value under Section 424(d) of the Code.

Changes to Capital Structure. In the event that there occurs a change in our capital structure through such actions as a stock split, merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, large nonrecurring cash dividend, liquidating dividend, combination of shares, exchange of shares, change in corporate structure, or similar transaction, the board of directors will make appropriate adjustments to: (i) the number of shares reserved under the 2026 ESPP; (ii) the maximum number of shares by which the share reserve may increase automatically each year; (iii) the number of shares and purchase price of all outstanding purchase rights; and (iv) the number of shares that are subject to purchase limits under ongoing offerings.

Corporate Transactions. In the event of certain significant corporate transactions, including the consummation, in a single transaction or in a series of related transactions, of any one or more of the following events: (i) a sale of all or substantially all of our assets; (ii) a sale or disposition of more than 50% of our outstanding securities; (iii) a merger or consolidation where we do not survive the transaction; and (iv) a merger or consolidation where we do survive the transaction but the shares of our common stock outstanding immediately before such transaction are converted or exchanged into other property by virtue of the transaction, any then-outstanding rights to purchase our stock under

the 2026 ESPP may be assumed, continued or substituted for by any surviving or acquiring entity (or its parent company). If the surviving or acquiring entity (or its parent company) elects not to assume, continue, or substitute for such purchase rights, then the participants' accumulated payroll contributions will be used to purchase shares of our common stock within ten business days (or such other period specified by the board of directors) before such corporate transaction, and such purchase rights will terminate immediately after such purchase.

2026 ESPP Amendment or Termination. Our board of directors has the authority to amend or terminate our 2026 ESPP, provided that except in certain circumstances such amendment or termination may not materially impair any outstanding purchase rights without the holder's consent. We will obtain stockholder approval of any amendment to our 2026 ESPP as required by applicable law or listing requirements.

U.S. Federal Income Tax Consequences

The following is a summary of the principal U.S. federal income tax consequences to participants and the combined company with respect to participation in the 2026 ESPP. This summary is not intended to be exhaustive and does not discuss the income tax laws of any local, state or foreign jurisdiction in which a participant may reside. The information is based upon current U.S. federal income tax rules and therefore is subject to change when those rules change. Because the tax consequences to any participant may depend on his or her particular situation, each participant should consult the participant's tax adviser regarding the federal, state, local, and other tax consequences of the grant or exercise of a purchase right or the sale or other disposition of the combined company's common stock acquired under the 2026 ESPP. The 2026 ESPP is not qualified under the provisions of Section 401(a) of the Code and is not subject to any of the provisions of the Employee Retirement Income Security Act of 1974, as amended.

Tax Consequences to Participants

423 Component of the 2026 ESPP. Rights granted under the 423 Component of the 2026 ESPP are intended to qualify for favorable U.S. federal income tax treatment associated with rights granted under an employee stock purchase plan which qualifies under the provisions of Section 423 of the Code.

A participant will be taxed on amounts withheld for the purchase of shares of the combined company's common stock as if such amounts were actually received. Otherwise, no income will be taxable to a participant as a result of the granting or exercise of a purchase right until a sale or other disposition of the acquired shares. The taxation upon such sale or other disposition will depend upon the holding period of the acquired shares.

If the shares are sold or otherwise disposed of more than two years after the beginning of the offering period and more than one year after the shares are transferred to the participant, then the lesser of the following will be treated as ordinary income: (i) the excess of the fair market value of the shares at the time of such sale or other disposition over the purchase price; or (ii) the excess of the fair market value of the shares as of the beginning of the offering period over the purchase price (determined as of the beginning of the offering period). Any further gain or any loss will be taxed as a long-term capital gain or loss.

If the shares are sold or otherwise disposed of before the expiration of either of the holding periods described above, then the excess of the fair market value of the shares on the purchase date over the purchase price will be treated as ordinary income at the time of such sale or other disposition. The balance of any gain will be treated as capital gain. Even if the shares are later sold or otherwise disposed of for less than their fair market value on the purchase date, the same amount of ordinary income is attributed to the participant, and a capital loss is recognized equal to the difference between the sales price and the fair market value of the shares on such purchase date. Any capital gain or loss will be short-term or long-term, depending on how long the shares have been held.

Non-423 Component. A participant will be taxed on amounts withheld for the purchase of shares of the combined company's common stock as if such amounts were actually received. Under the Non-423 Component, a participant will recognize ordinary income equal to the excess, if any, of the fair market value of the underlying stock on the date of exercise of the purchase right over the purchase price. If the participant is employed by the combined company or one of its affiliates, that income will be subject to withholding taxes. The participant's tax basis in those shares will be equal to their fair market value on the date of exercise of the purchase right, and the participant's capital gain holding period for those shares will begin on the day after they are transferred to the participant.

Tax Consequences to the Combined Company

There are no U.S. federal income tax consequences to the combined company by reason of the grant or exercise of rights under the 2026 ESPP. The combined company is entitled to a deduction to the extent amounts are taxed as ordinary income to a participant for shares sold or otherwise disposed of before the expiration of the holding periods described above (subject to the requirement of reasonableness, the deduction limits under Section 162(m) of the Code and the satisfaction of tax reporting obligations).

New Plan Benefits

Participation in the 2026 ESPP is voluntary and each eligible employee will make his or her own decision regarding whether and to what extent to participate in the 2026 ESPP. Therefore, Rallybio cannot currently determine the benefits or number of shares subject to purchase rights and a new plan benefits table is thus not provided. In addition, Rallybio cannot determine the benefits or number of shares subject to awards that would have been received by any service provider of Rallybio if the 2026 ESPP had been in effect.

Registration with the SEC

If the 2026 ESPP is approved by Rallybio stockholders and becomes effective, the combined company intends to file a registration statement on Form S-8 registering the shares reserved for issuance under the 2026 ESPP as soon as reasonably practicable after the combined company becomes eligible to use such form.

Required Vote

The affirmative vote of a majority of the total votes cast by the holders of Rallybio Common Stock entitled to vote at the Rallybio annual meeting, assuming a quorum is present, is required to approve the 2026 ESPP Proposal. Abstentions and broker non-votes will be treated as shares present for purposes of determining the presence of a quorum for the transaction of business at the Rallybio annual meeting, but will not be counted as votes cast and will have no effect on the outcome of the vote on the 2026 ESPP Proposal.

The 2026 ESPP Proposal is conditioned on the consummation of the Merger. If the Merger is not consummated, the 2026 ESPP Proposal will have no effect, even if approved by Rallybio's stockholders.

The Merger is not conditioned upon the approval of the 2026 ESPP Proposal.

Unless otherwise instructed, it is the intention of the persons named in the accompanying proxy card to vote shares represented by properly executed proxy cards "FOR" the approval of the 2026 ESPP Proposal.

**THE RALLYBIO BOARD UNANIMOUSLY RECOMMENDS THAT YOU
VOTE "FOR" THE 2026 ESPP PROPOSAL**

PROPOSAL NO. 9—THE ADJOURNMENT PROPOSAL

General

If Rallybio fails to receive a sufficient number of votes to approve the Nasdaq Stock Issuance Proposal, the Reverse Stock Split Proposal, the Name Change Proposal and/or the Authorized Share Increase Proposal, Rallybio may propose to adjourn the Rallybio annual meeting, for a period of not more than 60 days, for the purpose of soliciting additional proxies to approve the Nasdaq Stock Issuance Proposal, the Reverse Stock Split Proposal, the Name Change Proposal and/or the Authorized Share Increase Proposal. Rallybio currently does not intend to propose adjournment at the Rallybio annual meeting if there are sufficient votes to approve the Nasdaq Stock Issuance Proposal, the Reverse Stock Split Proposal, the Name Change Proposal and/or the Authorized Share Increase Proposal.

If a quorum is not present at the Rallybio annual meeting, under Rallybio's bylaws, the chairperson of the Rallybio annual meeting will have the power to adjourn the Rallybio annual meeting until a quorum is present or represented.

Required Vote

The affirmative vote of a majority of shares of Rallybio Common Stock present in person (by virtual attendance) or represented by proxy at the Rallybio annual meeting and entitled to vote on the matter is required to approve the Adjournment Proposal.

The Merger is not conditioned upon the approval of the Adjournment Proposal.

Unless otherwise instructed, it is the intention of the persons named in the accompanying proxy card to vote shares represented by properly executed proxy cards **"FOR"** the approval of the Adjournment Proposal.

**THE RALLYBIO BOARD UNANIMOUSLY RECOMMENDS A VOTE "FOR"
THE ADJOURNMENT PROPOSAL, IF NECESSARY**

RALLYBIO'S BUSINESS

Unless otherwise indicated or the context otherwise requires, references in this section to "Rallybio," the "Company" "we," "us," "our" and other similar terms refer to Rallybio and its subsidiaries.

Overview

We are a clinical-stage biotechnology company comprised of experienced biopharma industry leaders with extensive research, development, and rare disease expertise with a mission to develop and commercialize life-transforming therapies for patients with severe and rare diseases. Our lead program, RLYB116, is a differentiated complement component 5 ("C5") inhibitor with the potential to treat diseases of complement dysregulation. In addition, RLYB332, a long-acting matriptase-2 ("MTP-2") antibody for the treatment of diseases of iron overload, is currently in preclinical development.

Recent Developments

On March 1, 2026, we entered into an Agreement and Plan of Merger and Reorganization (the "Merger Agreement") with Candid Therapeutics, Inc., a Delaware corporation ("Candid"), a clinical-stage biotechnology company advancing a leading portfolio of T-cell engager ("TCE") therapeutics for autoimmune diseases, and Farmington Merger Sub, Inc., a Delaware corporation and wholly-owned subsidiary of Rallybio ("Merger Sub"). Upon the terms and subject to the satisfaction of the conditions described in the Merger Agreement, Merger Sub will be merged with and into Candid, with Candid surviving as a wholly owned subsidiary of Rallybio. The Merger is intended to qualify as a tax-free reorganization for U.S. federal income tax purposes.

Concurrently with the execution and delivery of the Merger Agreement, certain investors entered into the Subscription Agreement with Candid, pursuant to which such investors have agreed to purchase, immediately prior to the Merger, shares of Candid Common Stock representing an aggregate commitment of approximately \$505.5 million in the Concurrent Financing. The shares of Candid Common Stock that are issued in the Concurrent Financing will be or will have the right to be, respectively, converted into shares of Rallybio Common Stock in the Merger.

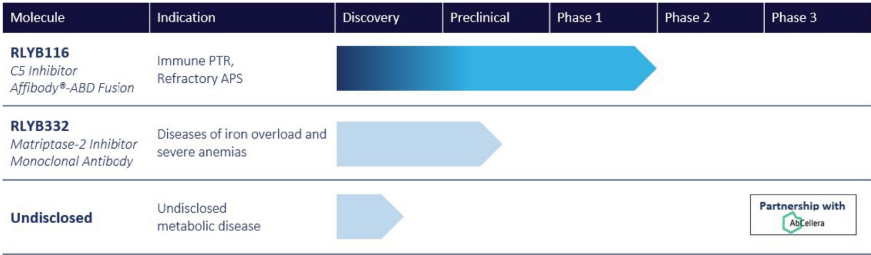
Subject to the terms and conditions of the Merger Agreement, at the Effective Time (the "Effective Time"), (a) each then-outstanding share of common stock or preferred stock of Candid (each such share, a "Candid Share") (excluding any share described in clauses (b) or (c) below and Candid Capital Stock held by stockholders who have exercised and perfected appraisal rights for such shares) will be converted into the right to receive a number of shares of Rallybio Common Stock, par value \$0.0001 per share ("Rallybio Common Stock"), equal to the Exchange Ratio as set forth in the Merger Agreement (the "Exchange Ratio"), (b) each Candid Share issued in the Concurrent Financing will be converted into the right to receive a number of shares of Rallybio Common Stock equal to the Concurrent Financing Exchange Ratio, (c) any Candid Capital Stock held as treasury shares or held or owned by Rallybio, Merger Sub or any subsidiary of Rallybio or Candid immediately prior to the Effective Time will be canceled and shall cease to exist, and no consideration shall be delivered in exchange therefor. Each then-outstanding option to purchase Candid Capital Stock will be converted into an option to purchase Rallybio Common Stock, based on the Exchange Ratio and subject to adjustment as set forth in the Merger Agreement.

Under the Exchange Ratio and Concurrent Financing Exchange Ratio formulas in the Merger Agreement, immediately after the Closing, on a pro forma basis and based upon the number of shares of Rallybio Common Stock expected to be issued in connection with the Merger, pre-Merger equityholders of Candid (other than investors in the Concurrent Financing) are expected to own approximately 57.55% of the combined company, pre-Merger equityholders of Rallybio are expected to own approximately 3.65% of the combined company and the investors in the Concurrent Financing are expected to own approximately 38.80% of the combined company (assuming proceeds from the Concurrent Financing of \$505.5 million), in each case, calculated on a fully diluted basis, using the treasury stock method, and subject to certain assumptions, including (i) a valuation for Rallybio of \$47.5 million (assuming Rallybio Net Cash of \$37.5 million as of the Closing), (ii) a fixed valuation for Candid of \$750.0 million, and (iii) the relative capitalization of Rallybio and Candid. The percentage of the combined company that each party's equityholders will own following the Closing is subject to certain adjustments, including the amount of the final Rallybio Net Cash at the Closing.

Immediately prior to the Effective Time, Rallybio and a rights agent are expected to enter into a Contingent Value Rights Agreement (the "CVR Agreement"), pursuant to which holders of record of certain Rallybio securities as of the close of business on the last business day prior to the day on which the Effective Time occurs will receive one contingent value right (each, a "CVR") for each outstanding share of Rallybio Common Stock, prefunded warrant, Rallybio restricted stock unit or In the Money Parent Option (as defined in the CVR Agreement) held as of such date. Pursuant to the CVR Agreement, each CVR holder will be entitled to receive their pro rata share of (i) all of the net proceeds (including cash the value of stock to the extent listed on a national exchange, at the time of disposition), if any, received by Rallybio as a result of payments made to Rallybio of any upfront, milestone, royalty and other payments received under any disposition agreement related to Rallybio's pre-Merger assets (the "Legacy Assets"), and (ii) any cash proceeds received from Recursion under the Membership Interest Purchase Agreement, dated July 8, 2025, by and among Recursion, Exscientia Ventures I, Inc., Rallybio Corporation and Rallybio IPB, LLC. For a period of one year after the Closing Date, Rallybio will use commercially reasonable efforts to effect the disposition of the Legacy Assets. Such net proceeds will be subject to certain permitted deductions, including for applicable tax payments, certain expenses incurred or other liabilities borne by Rallybio or its affiliates in respect of the Legacy Assets, and losses incurred by Rallybio or its affiliates due to a third-party proceeding in connection with such disposition.

Our Pipeline

As part of the proposed Merger with Candid the programs in Rallybio's pipeline that are illustrated in the chart below will be subject to the CVR described above.



C5: Complement component 5; ABD: Albumin-binding domain; PTR: Platelet Transfusion Refractoriness; APS: Antiphospholipid Syndrome

C5: Complement component 5; ABD: Albumin-binding domain; PTR: Platelet Transfusion Refractoriness; APS: Antiphospholipid Syndrome

Treatment of Disorders Due to Complement Dysregulation

The complement system plays a central role in innate immunity, as well as shaping adaptive immune response. Dysregulation of the complement pathway has been implicated in the pathogenesis of a growing number of diseases, making it an attractive target for therapeutic intervention. Antibody inhibitors of C5 have been successfully developed to treat diseases caused by complement pathway dysregulation, including paroxysmal nocturnal hemoglobinuria ("PNH"), atypical hemolytic uremic syndrome ("aHUS"), refractory generalized myasthenia gravis ("gMG") and relapsing neuromyelitis optica spectrum disorder ("NMOSD"). Despite the approval of antibody-based C5 inhibitors for patients with these diseases, we believe there remains a significant need in the market for safe, effective, patient-friendly, and accessible therapies.

Our team has a track record of success in designing, developing, and securing marketing approval for C5 complement inhibitors, including Soliris and Ultomiris, for patients around the world with severe and rare complement-mediated diseases. Our most advanced product candidate in this therapeutic area is RLYB116, an innovative, once-weekly, small volume, subcutaneously injected inhibitor of C5, which is a central component of the terminal complement pathway. RLYB116 is an Affibody molecule attached to an albumin binding domain ("ABD") that has the potential to drive the rapid, complete, and sustained inhibition of C5 with a subcutaneous ("SC") injection. We have completed two Phase 1 clinical trials in healthy participants that included the study of RLYB116 as both a single ascending dose ("SAD") and a multiple ascending dose ("MAD").

After the first Phase 1 clinical trial, we completed manufacturing process enhancements that were designed to improve the tolerability of RLYB116. In 2025, we completed the confirmatory Phase 1 clinical trial evaluating the pharmacokinetic ("PK") / pharmacodynamic ("PD") properties of RLYB116. The confirmatory trial achieved its two key objectives including: a significant improvement in the tolerability of RLYB116 and demonstration of complete and sustained inhibition of terminal complement. These results support the study of RLYB116 as a potential best-in-class therapeutic for multiple complement mediated diseases.

Hematological Disorders

In May 2022, we obtained worldwide exclusive rights to RLYB331, a preclinical, monoclonal antibody that is designed to inhibit MTP-2. The inhibition of MTP-2 significantly increases levels of hepcidin, decreases iron load and treats ineffective erythropoiesis. In 2024, we re-engineered RLYB331 to extend its half-life. In the fourth quarter of 2024 we presented preclinical data at the annual meeting of the American Society of Hematology ("ASH") for RLYB332, the long-acting version of RLYB331, including favorable PD data, that support RLYB332 as a long-acting, potentially best-in-class therapy for the treatment of diseases of iron overload. We believe RLYB332 has the potential to address a significant unmet need for patients with severe anemia with ineffective red blood cell production or erythropoiesis and iron overload, such as polycythemia vera, beta thalassemia and a subset of myelodysplastic syndromes ("MDS"), amongst others. Currently these patients are underserved by the existing standard of care.

Artificial Intelligence Drug Discovery Collaboration

In July 2019, we formed a joint venture with Exscientia Limited ("Exscientia"), an Oxford, UK-based artificial intelligence ("AI") and machine learning drug discovery company with a proprietary chemical design platform to discover novel small molecule drug candidates. Exscientia was acquired by Recursion in 2024. In July 2025, we entered into the ENPP1 Purchase Agreement with Recursion Exscientia Ventures I, Inc., an indirect wholly-owned subsidiary of Recursion ("Buyer") and Rallybio IPB, LLC, a wholly-owned subsidiary of Rallybio Corporation to sell our interest in REV102, an Ectonucleotide Pyrophosphatase/ Phosphodiesterase 1 ("ENPP1") inhibitor in preclinical development for the treatment of patients with hypophosphatasia ("HPP"), to Buyer (a subsidiary of our joint venture partner Recursion) (the "JV Sale"). In connection with the JV Sale, we received a total of \$20.0 million in the third quarter of 2025 including \$7.5 million from an upfront payment and \$12.5 million from a milestone payment related to the initiation of additional preclinical studies. We are eligible to receive a \$5.0 million milestone payment in connection with the initiation of dosing in a Phase 1 clinical study, as defined in the ENPP1 Purchase Agreement and low single-digit royalties on all future net sales by Recursion of products comprising or incorporating certain compounds developed by REV-I. We may also be eligible to receive certain payments in the event of Recursion's sale of the REV102 program.

AbCellera Collaboration

In December 2022, we entered into a strategic alliance to discover, develop, and commercialize novel antibody-based therapeutics for rare diseases. This multi-year, multi-target collaboration will combine AbCellera Biologic's ("AbCellera") antibody discovery engine with Rallybio's clinical and commercial expertise in rare diseases to identify optimal clinical candidates with a goal of delivering therapies to patients. We and AbCellera intended that the collaboration would co-develop up to five rare disease therapeutic targets, which will be chosen together by both companies with the first program focused on addressing the significant unmet therapeutic needs of patients with rare metabolic diseases.

Our Strategy

In 2025, the Company made a decision to evaluate strategic alternatives, with a goal of enhancing long term shareholder value that culminated with the signing of the Merger Agreement with Candid, a clinical-stage biotechnology company advancing a leading portfolio of TCE therapeutics for autoimmune diseases on March 1, 2026. In connection with the planned Merger, we have started to take steps to wind down our general and administrative operations that will not be needed after the close of the Merger. We are continuing to move forward with limited research and development operations with a goal of advancing our programs in the near term to maximize the potential value of the CVRs.

Our Product Candidates

RLYB116 for the treatment of disorders due to complement dysregulation

RLYB116 is an inhibitor of complement component C5, a component of the complement pathway which plays a central role in innate immunity as well as shaping adaptive immune response. Dysregulation of the complement pathway has been implicated in the pathogenesis of a growing number of diseases, making it an attractive target for therapeutic intervention. Antibody inhibitors of C5 have been successfully developed to treat diseases caused by immune dysfunction, including PNH, aHUS, refractory gMG and relapsing NMOSD. RLYB116 includes an Affibody molecule, which is an antibody mimetic protein that has a much smaller molecular weight than a traditional antibody and may be easier and less costly to produce. In contrast to most C5-targeted antibody therapeutics that are administered intravenously or via daily injection, RLYB116 has the potential to be administered via an autoinjector as a small volume, once-weekly SC injection.

We view RLYB116 as a potential pipeline-in-a-product for many disease including platelet transfusion refractoriness ("PTR") and antiphospholipid syndrome ("APS"). We believe RLYB116 can address significant unmet needs for patients with these diseases by providing a potential treatment that is more accessible and patient-friendly than existing marketed products, including by reducing the frequency and improving the route of administration.

Based on our team's experience studying and developing therapies targeting the complement system, we believe there are five important attributes that could support clinical and commercial success in the treatment of a broad range of patients suffering from complement-mediated diseases. These include a mechanism of action targeting terminal complement, the ability to produce rapid, complete and sustained inhibition of C5, a safety profile consistent with C5 antibodies currently approved for therapeutic use, the ability to self-administer the drug less frequently (e.g. once per week) in an easy to use autoinjector, and pricing flexibility to treat a broad range of complement-mediated diseases. Based on the data generated to date and the manufacturing process enhancements completed in 2024, we believe RLYB116 has the potential to demonstrate these attributes as a best-in-class therapeutic, and if so, could have a life-transforming impact on patients.

The complement system

The complement system includes over 30 proteins in plasma and on cell surfaces that support the body's adaptive or antibody-based immune system in the destruction of pathogenic bacteria. Complement proteins circulate in the blood in an inactive form prior to activation in response to infection. Activation occurs through a pathway of proteolytic cleavage events initiated by pathogen recognition and resulting in pathogen destruction. Three complement pathways that converge on C5 are known and are referred to as the classical, lectin and alternative pathways. In the classical pathway, antibodies bind to antigens, which in turn trigger a protease cascade that activates complement protein C3 and then complement protein C5. Activation of C5 convertase generates C5b which can initiate formation of membrane pores and subsequent lysis of cells. The binding of C5b to host cells is normally prevented by the presence of specific glycoproteins on the cell surface.

Immune platelet transfusion refractoriness (PTR) disease background

PTR is a condition in which a patient shows poor platelet counts after a platelet transfusion due to an immune-mediated process. It can result from antibodies directed against donor platelet antigens—especially human leukocyte antigen ("HLA") class I antigens, or human platelet antigens ("HPAs"). These antibodies rapidly clear transfused platelets from the circulation, leading to transfusion failure. Immune PTR typically develops after prior antigen exposure, such as through previous transfusions. It is diagnosed by consistently low post-transfusion platelet count in the absence of non-immune causes like sepsis or splenomegaly. We estimated that there are more than 25,000 cases annually in the United States and other major markets.

Current treatments for PTR and their limitations

Management of PTR includes using HLA-matched, crossmatched, or HPA-matched platelets, or attempting to address the underlying immune sensitization. Platelet matching, the current standard of care is expensive, challenging and is often not an option in local settings not directly connected to a major blood center. Controlling the immune response is often expensive and is accompanied by a variety of undesirable side effects.

Potential benefits of our approach

We believe PTR represents an attractive development opportunity for RLYB116 for several reasons. First, there are data from at least one investigator initiated trial showing C5 blockade has a positive impact on post-transfusion platelet counts, providing a sound biological rationale for a C5-targeted intervention. Second, PTR offers the opportunity for early clinical validation using objective endpoints, including impact on post-transfusion platelet counts. And third—and most importantly—we believe that RLYB116 could potentially provide transformative therapeutic impact for unserved and underserved patients with PTR globally.

APS disease background

APS is a potentially life-threatening, rare autoimmune disorder in which an individual's immune system mistakenly creates antiphospholipid antibodies that can lead to the formation of blood clots. Blood clots can occur in the legs, lungs, brain, and other organs, such as the kidneys and spleen. The clots can lead to a heart attack or a stroke. During pregnancy, women with APS are also at increased risk of miscarriage. APS can occur on its own but can also occur secondary to other autoimmune diseases such as systemic lupus erythematosus. APS affects three to five times as many women as men and is most often diagnosed in people between the ages of 30 and 50. It is estimated that there are >130,000 people in the US and >120,000 in Europe who suffer from APS.

Current treatments for APS and their limitations

Currently, there is no cure for APS. However, medicines including blood thinners such as warfarin or heparin can help prevent health problems caused by the disease. The goals of treatment are to prevent blood clots from forming and to keep existing clots from increasing in size. However, direct oral anticoagulants are generally less effective in preventing recurrent thromboembolic events, most notably strokes.

Potential benefits of our approach

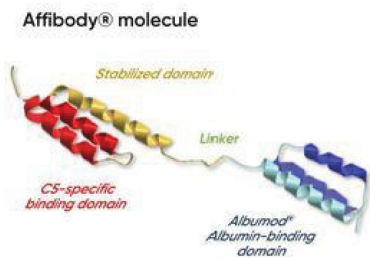
We believe APS is an attractive indication to pursue as part of a comprehensive development strategy for two reasons. First, there is significant unmet need in patients with APS given the lack of currently available treatment alternatives and the rapid time to generate initial proof-of-concept data. Second, we believe that RLYB116 has the potential to be an effective treatment for this patient population given published data from prior investigational studies using commercially available complement inhibitors not approved in this therapeutic indication.

The RLYB116 solution:

RLYB116 is an engineered protein that includes an Affibody molecule and an antibody binding domain ("ABD"). We acquired rights to RLYB116 from Swedish Orphan Biovitrum AB (Publ) ("Sobi"). RLYB116 was designed for optimal C5 binding, increased stability, as well as a long half-life in serum. Potential benefits of RLYB116 include:

- **Subcutaneous administration.** The low molecular weight allows for a higher concentration of active molecules than antibodies in an equivalent volume. This likely enables the delivery of RLYB116 in a patient friendly format such as an autoinjector.
- **Efficiency of manufacturing.** RLYB116 is expressed in *E. coli*, providing for a more streamlined and potentially lower cost manufacturing process compared to antibodies or other biologics expressed in mammalian cell culture, which typically require larger scale and longer manufacturing times.
- **Less frequent dosing.** Linkage of the Affibody domain to an ABD may lengthen the dosing interval of RLYB116 by extending the biological half-life and offer potential dosing benefits to patients. Based on the data generated to date, we believe that RLYB116 will be administered once-weekly.
- **Potentially lower risk of treatment conversion.** Due to 1:1 binding to C5, there is an expected lack of risk for drug-target-drug complex formation when switching from treatment with an antibody.
- **Favorable stability.** The Affibody platform provides the possibility of delivering highly stable and soluble therapeutic agents that allow for high-concentration low-volume products.

Affibody Scaffold and RLYB116 Structure



Treatment Goal: Rapid, complete, and sustained terminal complement blockade via C5 inhibition

Clinical development of RLYB116

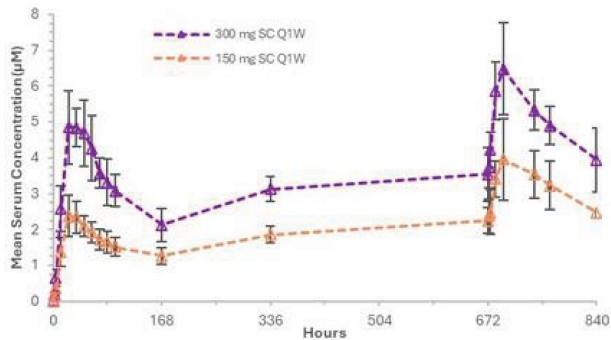
We have completed two Phase 1 clinical trials in healthy participants that included the study of RLYB116 as a SAD and a MAD. After the first Phase 1 clinical trial, we completed manufacturing process enhancements that were designed to improve the tolerability of RLYB116 and enable us to increase the dose.

In 2025, we completed the confirmatory (second) Phase 1 clinical trial evaluating the PK /PD properties of RLYB116 in healthy volunteers. The trial was a single-blind MAD study evaluating a 4-week treatment duration and a 10-week follow-up period. There were eight participants in each of 2 cohorts, six of whom received RLYB116 and two of whom received placebo. The trial is summarized below.

Subject Screening	Cohort 1	150mg Once Weekly	10-week follow-up
	Cohort 2	300mg Once Weekly	

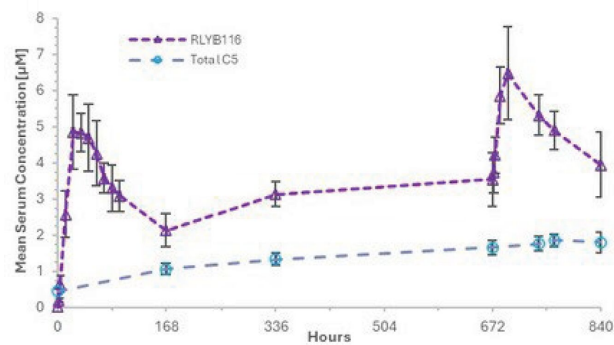
The trial achieved its two key objectives including: a significant improvement in the tolerability of RLYB116 and demonstration of complete and sustained inhibition of terminal complement. We believe the results, which are summarized in the three graphs below, support the study of RLYB116 as a potential best-in-class therapeutic for multiple complement mediated diseases.

Serum RLYB116 Concentration



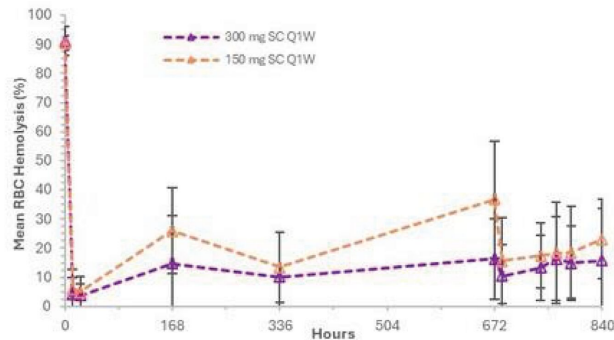
The PK profile of RLYB116 is highly predictable with low intersubject variability, rapid absorption and long terminal elimination rates.

RLYB116 to C5 Ratio



RLYB116 levels significantly exceed C5 within 12 hours of the first dose and are maintained at ratios of greater than 2:1 with a once-weekly, subcutaneously administered dose of 300mg.

Hemolytic Activity



Most importantly, we observed complete and sustained inhibition of hemolysis observed in subjects who received the 300mg dose.

Based on market research conducted to date, we believe that an effective, once-weekly, well-tolerated therapy that can be rapidly self-administered with an autoinjector would be an attractive alternative for patients suffering from a wide array of complement mediated diseases.

RLYB332 for the treatment of severe anemia with ineffective erythropoiesis and iron overload

In May 2022, we obtained worldwide exclusive rights to RLYB331, a preclinical antibody designed to inhibit MTP-2. The inhibition of MTP-2 significantly increases levels of hepcidin, decreases iron load and treats ineffective erythropoiesis. We believe this molecule has the potential to address a significant unmet need for patients with severe anemias with ineffective erythropoiesis and iron overload, including beta thalassemia and a subset of lower risk MDS. Currently these patients are underserved by the existing standard of care.

In 2024, we completed non-clinical studies that demonstrated favorable tolerability, dose-dependent PK, and sustained PD effects with RLYB332, a long-acting version of RLYB331. These findings, which were presented in a poster at the 66th annual meeting of ASH, support the continued development of RLYB332 as a potentially best-in-class therapeutic for treating diseases of iron overload.

AbCellera Collaboration

We entered into a strategic alliance with AbCellera to discover, develop, and commercialize novel antibody-based therapeutics for rare diseases. This multi-year, multi-target collaboration combines AbCellera's antibody discovery engine with Rallybio's clinical and commercial expertise in rare diseases to identify optimal clinical candidates with a goal of delivering therapies to patients.

Competition

The biotechnology and pharmaceutical industries are highly competitive and subject to significant and rapid technological change. There are many public and private biopharmaceutical companies, universities, government agencies and other research organizations actively engaged in the research and development of products that may be like our product candidates or address similar markets. In addition, the number of companies seeking to develop and commercialize products and therapies competing with our product candidates is likely to increase. However, we seek to build our portfolio with key differentiating attributes to provide a competitive advantage in the markets we target. The success of our product candidates, if approved, is likely to be a result of their efficacy, safety, convenience, price, the level of biosimilar or generic competition and/or the availability of reimbursement from government and other third-party payors.

Many of our competitors may have significantly greater name recognition and financial, manufacturing, marketing, product development, technical, commercial infrastructure, and human resources than we do. Mergers and acquisitions in the pharmaceutical, biotechnology and diagnostic industries may result in even more resources being concentrated among a smaller number of our competitors. These competitors also compete with us in establishing clinical trial sites and patient registration for clinical trials, as well as in acquiring technologies complementary to, or necessary for, our programs. Smaller or early-stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies.

Intellectual Property

Our success depends, in part, on our ability to obtain, maintain, defend, and enforce patent rights and other intellectual property rights that protect our business, preserve the confidentiality of our trade secrets, and operate without infringing the valid and enforceable intellectual property rights of others. In addition to our efforts to protect our product candidates and methods of using them, we also seek to secure or acquire patent rights regarding other products and methods that are important to the general development of commercial products. We utilize a multi-layered approach that includes acquiring intellectual property rights through purchase or exclusive license, filing and prosecuting U.S. and foreign patent applications directed to our own innovations, and developing and protecting proprietary know-how to maintain our competitive position.

Our ongoing efforts to secure patent rights that protect our business constitute a key component of our business strategy. We also strive to protect as trade secrets or confidential know-how, certain aspects of our programs and technological innovations that are commercially valuable but are not amenable to or appropriate for patent protection. We achieve this, in part, through the use of confidentiality agreements with our employees, consultants, scientific advisors, collaborators, licensors, and contractors, and by striving to maintain physical security of our premises and digital security of our electronic information and technology systems.

Notwithstanding our commitment to protecting our intellectual property rights, we, like other pharmaceutical and biopharmaceutical companies, are subject to several sources of uncertainty that can affect those rights. For example, we cannot be certain that any patents that we currently own or in-license, or that we may own or in-license in the future, will not be challenged, held to be invalid and/or unenforceable, have the scope of their claims narrowed, or be circumvented by others. Nor can we be certain that such patents will successfully protect our products or our business from competition.

Similarly, with respect to patent applications that are currently pending, or that may be pending in the future, we cannot be certain that such patent applications will result in the issuance of granted patents, or of patent claims with the desired claim scope. In order to secure an issued patent, an invention claimed in a patent application must meet certain legal requirements for patentability, which differ between countries based on each country's particular patent laws. In addition, because of the significant amount of time required for clinical development and regulatory review of product candidates, we cannot be certain that any of our product candidates will be commercialized while there is significant patent term remaining on patents relating to those products. The term of a patent depends upon the legal requirements for determination of patent term in the country in which that patent is granted. In most countries, including the United States, the patent term is 20 years from the earliest claimed filing date of a non-provisional patent application. In the United States, a patent's term may, in certain cases, be lengthened by patent term adjustment ("PTA") which compensates a patentee for administrative delays by the U.S. Patent and Trademark Office ("USPTO") in examining and granting the patent. Likewise, a patent's term may be shortened if it is terminally disclaimed over an earlier-expiring patent with a common owner or inventor.

The term of a U.S. patent relating to an approved drug product may also be extended to compensate the patentee for delays due to the regulatory approval process. Such a patent term extension ("PTE") cannot exceed five years, and cannot extend the remaining term of a patent beyond a total of 14 years from the date of product approval. Furthermore, the term can be extended for only one patent applicable to each regulatory review period and only those claims covering the approved product, or a method for using it or manufacturing it, may be extended. In the future, if any of our product candidates receive approval by the FDA we expect to apply for PTE on any issued patents covering those products, depending upon the length of the clinical studies for each product and other factors. There can be no assurance that we will benefit from any PTE or favorable adjustments to the terms of any patents we currently own or in-license or that we may own or in-license in the future.

In addition to and separate from patent exclusivity, the FDA may also grant marketing exclusivity of varying lengths in connection with the approval of a New Chemical Entity (5 years), Biologic (12 years), or Orphan Drug indication (7 years). Marketing exclusivity may also be granted for new clinical studies (3 years) and pediatric studies (6 months) on approved drugs. Depending on the length of the regulatory approval process and the ability to make use of the procedures for obtaining PTE, any FDA exclusivity period may in part or in whole overlap with any patent exclusivity to which we are entitled. We intend to pursue relevant marketing exclusivities in the US and in foreign countries in which any candidate product is approved. However, we cannot be certain that any such exclusivities will be granted or, if granted, will insulate our commercial product(s) from competition.

With respect to trade secrets, while we have confidence in the protective measures that we employ, such measures can be breached, and we may not have adequate remedies for any such breach. We also cannot be certain that any of our activities will not be subject to the intellectual property rights of others.

As of March 1, 2026, we owned two patent families relating to the current product candidates in our complement program, RLYB114 and RLYB116, and certain aspects of their use that were acquired from Sobi. These two patent families currently include five granted U.S. patents and one pending U.S. patent application, with granted patents and/or pending patent applications in more than 25 additional countries worldwide. In the United States, Australia, Canada the European Patent Convention contracting states, and Japan, applications in both patent families have been granted and are scheduled to expire between 2033 and 2034, excluding any PTA or PTE. In addition, we filed and own a family of patent applications directed to dosing and administration of RLYB116 that consists of pending patent applications in Australia, Canada, Europe, Japan, the United States and 22 additional countries. Patents issuing in this patent family will have an expiration date in November 2042, excluding any PTA or PTE that may be awarded. We also filed and own nine pending provisional patent applications directed to methods of treatment of various C5-related conditions by administration of RLYB116. We have also non-exclusively in-licensed certain patent rights relating to our current product candidates from Affibody, including patent rights relating to the Affibody molecule technology and Albumod albumin binding molecule technology.

As of March 1, 2026, we exclusively in-licensed from Kymab Limited certain patent rights to the current product candidate in our iron overload program, RLYB332, as well as back-up compounds. Under the exclusive license, we are managing prosecution of a patent family relating to RLYB332 and the back-up compounds. The patent family

currently includes pending patent applications in the United States and in more than 20 other countries/regions, including Australia, Brazil, Canada, China, Eurasia, Europe, India, Japan, Mexico, and Saudi Arabia. Patents have been granted in Eurasia, Japan, and Malaysia, and are scheduled to expire in November 2040. In addition, we filed and own a pending International (PCT) patent application family directed to use of RLYB332 for treating pathologies of beta-thalassemia. Further, we have non-exclusively in-licensed from Kymab Limited certain patent rights relating to the development, manufacture, and use of RLYB332 and the back-up compounds.

License Agreements

Product License Agreement with Affibody AB

In March 2019, our subsidiary IPC Research, LLC ("IPC Research") and Sobi entered into a Contract Assignment Agreement pursuant to which Sobi assigned to, and IPC Research assumed, all obligations in a certain Product License Agreement ("PLA") as amended, between Sobi and Affibody AB ("Affibody"), dated March 9, 2012, as amended on January 1, 2018 and December 22, 2020.

Pursuant to the PLA, we obtained a license to the Affibody platform technology and a particular ABD, in order to further develop and commercialize certain Affibody ligands, which we are now developing as RLYB116 and RLYB114.

Under the PLA, Affibody grants us (1) a non-exclusive right under certain patents to use the Affibody ligands alone or as a fusion protein and (2) an exclusive right to use the Affibody ligands alone or as a fusion protein, in each case, for human therapeutic use. Affibody also grants us (a) a non-exclusive right under certain patents to use the ABD in combination with the Affibody ligands as a fusion protein and (b) an exclusive right to use the ABD solely in combination with the Affibody ligands as a fusion protein, in each case, for human therapeutic use. Affibody grants us a non-exclusive license under applicable know-how needed to practice the rights and licenses granted under the PLA. All licenses to us are sublicensable, provided that each sublicense is consistent with the terms and conditions of the PLA. Under the PLA, Affibody has an exclusive right under any product patents, which are a category of certain patents that we own, to use the specific Affibody ligands outside of human therapeutics and a non-exclusive right under know-how needed to practice the Affibody ligands outside of human therapeutics.

Under the PLA, Affibody is the exclusive owner of, and controls prosecution, maintenance, and defense of intellectual property covering, platform technology. We are the exclusive owner of, and control prosecution, maintenance, and defense of intellectual property covering, product technology. Affibody agrees to disclose to us any improvement to the Affibody technology that it deems commercially reasonable for us to practice and grants us an option to license any such improvement. We have the first right to enforce product patents against a third-party infringer and Affibody retains the first right to enforce any other licensed patent. We agree to not provide or make available any Affibody Ligand to a third-party on a standalone basis except for research purposes or to commercialize a licensed product.

We agree to use commercially reasonable efforts to develop and commercialize a licensed product. We also will pay Affibody certain regulatory milestones up to an aggregate amount of €7.5 million and (a) a mid-single-digit royalty on annual net sales of products if such products are covered by a valid claim of a product patent or a platform patent or (b) low-single-digit royalties on annual net sales of products that are not covered by any such valid claim. Our obligation to pay royalties expires on a country-by-country and product-by-product basis on the later of (a) the expiration of the last-to-expire valid claim of a patent covering a licensed product or (b) the 10th anniversary following first commercial sale of such product in such country.

The PLA will terminate when we are no longer obligated to pay royalties to Affibody. Either party may terminate the PLA upon material breach of the PLA by the other, subject to a cure period, or immediately in the case of the other party's insolvency, bankruptcy or a similar event. Affibody may terminate the PLA immediately if we or any of our affiliates or third party transferees commences any proceeding challenging the validity of the licensed patents or any of Affibody's other patents or challenging the confidentiality or substance of the licensed know-how or licensed technology. We may terminate the PLA for convenience upon 90 days prior written notice and upon payment of any amounts due to Affibody through the effective date of such termination.

If Affibody terminates the PLA or if we terminate the PLA for convenience, (a) all rights and licenses granted under the PLA will terminate, (b) at Affibody's request, we must transfer all rights to the product technology free of charge to Affibody and (c) we must return or destroy all of Affibody's confidential information. Furthermore, if we terminate for convenience, we must grant Affibody an exclusive, royalty free perpetual right to use all regulatory filings, approvals and data provided to regulatory authorities in support of such filings or approvals that relate to the licensed product. However, if we terminate the PLA as a result of Affibody's material breach of the PLA or its insolvency or bankruptcy, we will retain our license and rights under the PLA, provided that we will remain bound by certain obligations under the PLA with respect to milestone payments, royalties (subject to a reduction in rate, in the case of material breach), audits and indemnity.

Product License Agreement with Sanofi

In May 2022, through our subsidiary, Rallybio IPE, LLC ("Rallybio IPE"), we entered into a License Agreement with Kymab Limited ("Sanofi", and such agreement the "Sanofi License Agreement"). Under the Sanofi License Agreement, Sanofi provides Rallybio IPE with worldwide exclusive rights to Sanofi's KY1066, which is now referred to as RLYB331. Under the terms of the Sanofi License Agreement, Rallybio has an exclusive license to certain Sanofi patents to develop, manufacture and commercialize RLYB331 and Rallybio agrees to use commercially reasonable efforts to develop and commercialize a licensed product in at least one indication in the field in each of several major markets, as described in the Sanofi License Agreement.

We paid Sanofi an upfront cash payment of \$3.0 million. In addition, Rallybio has agreed to pay Sanofi up to an aggregate of \$43.0 million in development and regulatory milestones and up to an aggregate of \$150.0 million in commercial milestones for a product in its first indication, plus tiered low-to-mid double digit percentages of such milestone amounts for up to three additional indications, and mid to high single digit royalties on net sales.

The Sanofi License Agreement contains other customary license terms including sublicensing, development, regulatory, manufacturing, commercialization, milestones, royalties, intellectual property, and termination. The Sanofi License Agreement will expire on a product-by-product and country-by-country basis at the end of the applicable royalty term. Either party may terminate the Sanofi License Agreement upon material breach of the Sanofi License Agreement by the other, subject to a cure period. Rallybio may terminate the Sanofi License Agreement for convenience upon 90 days prior written notice to Sanofi. Sanofi may terminate the Sanofi License Agreement immediately in the case of Rallybio's insolvency, bankruptcy or a similar event, or if Rallybio or its affiliates participates in any proceeding challenging the validity of the licensed patents.

If the Sanofi License Agreement is terminated in its entirety, among other things (a) all rights and licenses granted by Sanofi under the License Agreement (including any sublicenses) will terminate and (b) if Sanofi has an interest in developing, manufacturing and commercializing the licensed compounds or products, the parties to the Sanofi License Agreement shall negotiate an arrangement to provide Sanofi rights to the patents, know-how, materials and other properties controlled by Rallybio applicable to any of the licensed product.

Asset Purchase Agreements

Asset Transfer Agreement with Swedish Orphan Biovitrum AB (Publ)

In March 2019, through IPC Research, we entered into an agreement with Sobi, pursuant to which we acquired the right, title and interest in assets related to certain C5 inhibitor compounds. We are currently developing the assets acquired from Sobi as RLYB116 and RLYB114.

We paid Sobi an upfront purchase price of \$5.0 million and we are obligated to pay Sobi an aggregate amount of up to \$51.0 million upon achievement of certain development milestones and an aggregate amount of up to \$65.0 million upon achievement of certain sales milestones.

We also will pay Sobi tiered, low single-digit royalties on annual net sales to third parties for products containing any compound transferred under the agreement as an active ingredient. Our obligation to pay royalties expires, on a country-by-country and product-by-product basis, on the later of (a) the 10th anniversary following first commercial sale of such product in such country and (b) the expiration date in such country of the last to expire of any issued patent included in the patent rights acquired from Sobi that includes at least one valid claim covering the sale of such product in such country.

We are obligated to use commercially reasonable efforts to research, develop and exploit at least one product that contains a compound transferred under the agreement as an active ingredient in each of the United States, European Union ("EU") and Japan.

If, prior to the commercial launch in the United States of the first product containing the compounds, we decide to divest our rights in the assets acquired from Sobi or to terminate all research, development and commercialization activities in respect of the acquired compounds, we must notify Sobi and negotiate in good faith with Sobi a possible business transaction relating to the assets. This right of negotiation will not apply to a transaction to sell all or substantially all of the assets of IPC Research or an affiliate of IPC Research, a pledge of the assets as collateral or a sale or transfer of the assets to an affiliate of IPC Research that agrees to be bound by the right of negotiation.

Joint Venture Agreement

In July 2019, we entered into a partnership with Recursion (as successor in interest to Exscientia) and created REV-I, which was jointly owned by Recursion and one of our wholly-owned subsidiaries, each a Member and collectively the Members. The joint venture was formed to initiate early-stage drug discovery of orally available small molecules targeting ENPP1 for the treatment of HPP, and thereafter for the future research, development, manufacture, sale and exploitation of any company-owned technology and compounds, including any resulting compound identified by the steering committee of the joint venture.

In July 2025, we entered into a ENPP1 Purchase Agreement with Recursion Exscientia Ventures I, Inc., an indirect wholly-owned subsidiary of Buyer and Rallybio IPB, LLC, a wholly-owned subsidiary of Rallybio Corporation to sell our interest in REV102, ENPP1 inhibitor in preclinical development for the treatment of patients with HPP, to Buyer (a subsidiary of our joint venture partner Recursion) (the "JV Sale"). In connection with the JV Sale, we received a total of \$20.0 million in the third quarter of 2025 including \$7.5 million from an upfront payment and \$12.5 million from a milestone payment related to the initiation of additional preclinical studies. We are eligible to receive a \$5.0 million milestone payment in connection with the initiation of dosing in a Phase 1 clinical study, as defined in the ENPP1 Purchase Agreement and low single-digit royalties on all future net sales by Recursion of products comprising or incorporating certain compounds developed by REV-I. We may also be eligible to receive certain payments in the event of Recursion's sale of the REV102 program.

AbCellera Collaboration Agreement

In December 2022, the Company entered into a strategic alliance to discover, develop, and commercialize novel antibody-based therapeutics for rare diseases. This multi-year, multi-target collaboration combined AbCellera's antibody discovery engine with Rallybio's clinical and commercial expertise in rare diseases to identify optimal clinical candidates and ultimately deliver therapies to patients.

Under the terms of the agreement, AbCellera and Rallybio were planning to co-develop up to five rare disease therapeutic targets, which will be chosen together by both companies. The collaboration was designed to allow Rallybio to add product candidates to its existing pipeline and provide the option for AbCellera to conduct process development and clinical manufacturing activities.

Collaboration Agreement with Johnson & Johnson

In April 2024, through Rallybio IPA, we entered into a collaboration agreement (the "J&J Collaboration Agreement") with Johnson & Johnson, through its wholly-owned subsidiary, Momenta Pharmaceuticals, Inc. ("J&J"). Under the J&J Collaboration Agreement, the Company and J&J planned to advance therapeutic solutions for pregnant individuals at risk of fetal and neonatal alloimmune thrombocytopenia ("FNAIT"). The Company shared certain aggregated, anonymized data with J&J, collected from the Company's FNAIT natural history study and the Company's Phase 2 FNAIT clinical trial. The Company also agreed to disseminate information to its FNAIT study sites related to J&J's and its affiliates' research and development of complementary therapeutic approaches aimed at reducing the risk of FNAIT.

Under the terms of the J&J Collaboration Agreement, J&J made an upfront payment of \$0.5 million. We were also eligible to receive additional payments upon certain triggers related to both companies' FNAIT studies, however, in connection with our decision in April 2025 to discontinue development of RLYB212, we do not expect any payments regarding the achievement of certain enrollment-related events.

The J&J Collaboration Agreement expires in April 2026. The Company may terminate the agreement upon J&J's material breach, the Company's decision to discontinue an FNAIT study, or during a certain part of the term if the Company determines for any reason that termination of the agreement is in the best interests of the Company. J&J may terminate the agreement upon the Company's material, uncured breach, upon the Company's decision to discontinue an FNAIT study, documented failure of the Company to conduct its FNAIT studies in accordance with applicable law and J&J's decision to discontinue its FNAIT studies.

Manufacturing and Supply

We do not own or operate, and currently have no plans to establish, any internal manufacturing facilities. We currently rely and expect to continue to rely on third-party contract manufacturer organizations ("CMOs") for the manufacture of our product candidates for preclinical and clinical testing, as well as for commercial production of any product candidates that are approved.

We currently rely on multiple CMOs for all of our preclinical and clinical supply requirements, including drug substances and drug products, and label and packaging for our preclinical research and clinical trials. We believe that we will be able to contract with other CMOs to manufacture drug substances if our existing sources of drug substances were no longer available to us or with sufficient capacity, but there is no assurance that the drug substance capacity would be available from other CMOs on acceptable terms, on the timeframe that our business would require, or at all. We do not currently have supply commitments or other arrangements in place with our existing CMOs.

We do not have any current contractual relationships for the manufacture of commercial supplies of any of our product candidates if they are approved by the regulatory authorities, and we intend to enter into agreements with a CMO and plans for one or more back-up manufacturers for the commercial production of our product candidates as they near phase 3 clinical trials.

Any products to be used in clinical trials and any approved product that we may commercialize will need to be manufactured in facilities, and by processes, that comply with the FDA's current Good Manufacturing Practice ("cGMP") requirements and comparable requirements of the regulatory agencies of other jurisdictions in which we are seeking approval. We currently employ internal resources to manage our CMOs. We believe that RLYB116 and RLYB332 can be manufactured through reliable and reproducible biologic and chemical processes from readily available starting materials. We believe that our manufacturing processes are amenable to scale-up and will not require unusual or expensive equipment. We expect to continue to develop, on our own or with our collaborators, product candidates that can be produced cost-effectively at contract manufacturing facilities.

Government Regulation

The research, development, testing, manufacture, quality control, packaging, labeling, storage, record-keeping, distribution, import, export, promotion, advertising, marketing, sale, pricing and reimbursement of drug and biologic products are extensively regulated by governmental authorities in the United States and other countries. The processes for obtaining regulatory approvals in the United States and in foreign countries and jurisdictions, along with compliance with applicable statutes and regulations and other regulatory requirements, both pre-approval and post-approval, require the expenditure of substantial time and financial resources. The regulatory requirements applicable to drug and biological product development, approval and marketing are subject to change, and regulations and administrative guidance often are revised or reinterpreted by the agencies in ways that may have a significant impact on our business.

U.S. Government Regulation of Drug and Biological Products

In the United States, the FDA regulates human drugs under the Federal Food, Drug, and Cosmetic Act, (the "FDCA"), and in the case of biologics, also under the Public Health Service Act (the "PHSA"), and their implementing regulations. Failure to comply with the applicable U.S. requirements may result in FDA refusal to approve pending New Drug Applications ("NDAs") or Biologics License Applications ("BLAs") or delays in development and may subject an applicant to administrative or judicial sanctions, such as issuance of warning letters, or the imposition of fines, civil penalties, product recalls, product seizures, total or partial suspension of production or distribution, injunctions and/or civil or criminal prosecution brought by the FDA and the DOJ or other governmental entities.

The FDA must approve our product candidates for therapeutic indications before they may be marketed in the United States. For drug products, the FDA must approve an NDA, and for biologic products, the FDA must approve a BLA. An applicant seeking approval to market and distribute a new drug or biologic in the United States generally must satisfactorily complete each of the following steps:

- completion of preclinical laboratory tests and animal studies according to Good Laboratory Practice ("GLP") regulations or other applicable regulations;
- manufacture and testing of the therapeutic or biologic moiety and its respective product formulation according to cGMP regulations or other applicable regulations;
- submission to the FDA of an IND application, which must become effective before human clinical trials may begin;
- approval by an independent institutional review board ("IRB") or ethics committee representing each clinical trial site before each clinical trial may be initiated;
- performance of adequate and well-controlled human clinical trials in accordance with applicable IND regulations, good clinical practices ("GCPs") and other clinical-trial related regulations to evaluate the safety and efficacy of the investigational product for each proposed indication;
- preparation and submission to the FDA of an NDA or BLA requesting marketing approval for one or more proposed indications, including payment of application user fees;
- review of the NDA or BLA by an FDA advisory committee, where applicable;
- satisfactory completion of one or more FDA inspections of the manufacturing facility or facilities at which the drug or biologic and its respective finished product is produced;
- satisfactory completion of any FDA audits of clinical trial sites to assure compliance with GCPs and the integrity of the clinical data submitted in support of the NDA or BLA; and
- FDA review and approval of the NDA or BLA.

Preclinical Studies and IND

Before testing any drug or biological product candidate in humans, the product candidate must undergo rigorous preclinical testing. The preclinical development stage generally involves laboratory evaluations of drug chemistry/biology, formulation, and stability, as well as in vitro and animal studies to assess safety and in some cases to establish a rationale for therapeutic use. The conduct of preclinical studies is subject to federal regulations and requirements, including GLP regulations for safety and toxicology studies. The sponsor must submit the results of the preclinical studies, together with manufacturing information, analytical data, any available clinical data or literature and a proposed clinical protocol, to the FDA as part of the IND.

An IND is a request for authorization from the FDA to administer an investigational product to humans and must become effective before human clinical trials may begin. An IND automatically becomes effective 30 days after receipt by the FDA, unless before that time, the FDA raises concerns or questions related to one or more proposed clinical trials and places the clinical trial on a clinical hold. In such a case, the IND sponsor and the FDA must resolve any outstanding concerns before the clinical trial can begin. Certain long-term preclinical testing, such as animal tests of reproductive adverse events and carcinogenicity, may initiate or continue after an IND for an investigational product candidate is submitted to the FDA and human clinical trials have been initiated.

Human Clinical Trials in Support of an NDA or BLA

Clinical trials involve the administration of an investigational product candidate to healthy volunteers or patients with the disease to be treated under the supervision of qualified investigators. Clinical trials are conducted under protocols detailing the objectives of the study, inclusion and exclusion criteria, dosing procedures and the parameters to be used in monitoring the safety and effectiveness criteria to be evaluated. Each protocol, as well as any subsequent amendments, must be submitted to the FDA as part of the IND.

An IRB representing each institution that is participating in the clinical trial must review and approve the plan for any clinical trial before it commences at that institution, and the IRB must thereafter conduct a continuing review of the trial. The IRB will consider, among other things, clinical trial design, patient informed consent, ethical factors and the safety of human subjects. The IRB must review and approve, among other things, the trial protocol and informed consent information to be provided to clinical trial subjects or their legal representatives and must operate in compliance with FDA regulations.

Clinical trials must also comply with extensive GCP standards intended to ensure protection of human subjects and the quality and integrity of the study data, including requirements for obtaining subjects' informed consent. Additionally, some clinical trials are overseen by an independent group of qualified experts organized by the clinical trial sponsor, known as a data safety monitoring board or committee. This group may recommend continuation of the trial as planned, changes in trial conduct or cessation of the trial at designated checkpoints based on access to certain data from the study. The FDA may at any time while clinical trials are ongoing impose a partial or complete clinical hold based on concerns for patient safety and/or noncompliance with regulatory requirements. This order issued by the FDA would cause suspension of an ongoing trial until all outstanding concerns have been adequately addressed, and the FDA has notified the company that investigations may proceed.

Human clinical trials to evaluate therapeutic indications to support NDAs and BLAs for marketing approval are typically conducted in three sequential phases that may overlap or be combined:

- Phase 1: The product candidate is initially introduced into human subjects, who are commonly healthy volunteers, and tested for safety, dosage tolerance, absorption, metabolism, distribution, and excretion, and if possible, to gain early evidence for effectiveness.
- Phase 2: Clinical trials are conducted in a limited patient population with a specified disease or condition to identify possible adverse effects and safety risks, to preliminarily evaluate the efficacy of the product for specific targeted diseases and to determine dosage tolerance and optimal dosage.
- Phase 3: Clinical trials are undertaken with an expanded patient population to further evaluate dosage, and to provide substantial evidence of clinical efficacy and safety in an expanded patient population, often at geographically dispersed clinical study sites. These studies are intended to establish the overall risk-benefit ratio of the product candidate and provide, if appropriate, an adequate basis for product labeling.

Post-approval trials, sometimes referred to as Phase 4 clinical trials, may be conducted after initial marketing approval. These trials are used to gain additional experience from the treatment of patients in the intended therapeutic indication, to document a clinical benefit in the case of drugs or biologics approved under FDA's accelerated approval regulations and to generate additional safety data regarding use of the product in a clinical setting. In certain instances, the FDA may mandate the performance of Phase 4 clinical trials as a condition of approval of an NDA or BLA. Failure to exhibit due diligence with regard to conducting Phase 4 clinical trials could result in withdrawal of approval for the product.

The FDA or the sponsor may suspend or terminate a clinical trial at any time on various grounds, including a finding that the research subjects or patients are being exposed to an unacceptable health risk. Similarly, an IRB can suspend or terminate approval of a clinical trial at its institution if the clinical trial is not being conducted in accordance with the clinical protocol, GCP or other IRB requirements or if the drug has been associated with unexpected serious harm to patients.

During the development of a new drug or biological product, sponsors have the opportunity to meet with the FDA at certain points, including prior to submission of an IND, at the end of phase 2 and before submission of an NDA or

BLA. These meetings can provide an opportunity for the sponsor to share information about the data gathered to date and for the FDA to provide advice on the next phase of development.

Concurrent with clinical trials, companies usually complete additional non-clinical studies and must also develop additional information about the physical characteristics of the drug or biological product and finalize a process for manufacturing the product in commercial quantities in accordance with cGMP requirements. The manufacturing process must be capable of consistently producing quality batches of the product candidate and, among other things, the manufacturer must develop methods for testing the identity, strength, quality, potency and purity of the final drug or biological product. For biological products in particular, the PHSA emphasizes the importance of manufacturing controls for products whose attributes cannot be precisely defined in order to help ensure safety, purity and potency.

Marketing Application Submission and FDA Review

Assuming successful completion of the required clinical testing, the results of the preclinical studies and clinical trials, along with information relating to the product's chemistry, manufacturing, controls ("CMC") and proposed labeling, are submitted to the FDA as part of an NDA or BLA requesting approval to market the product for one or more indications. Data may come from company-sponsored clinical trials intended to test the safety and efficacy of a product's use or from a number of alternative sources, including studies initiated by investigators. To support marketing approval, the data submitted must be sufficient in quality to establish the safety and efficacy of the investigational product to the satisfaction of the FDA. The fee required for the submission of an NDA or BLA under the Prescription Drug User Fee Act ("PDUFA") is substantial (for example, for fiscal year 2025 this application fee is approximately \$4.3 million), and the sponsor of an approved NDA or BLA is also subject to an annual program fee, currently more than \$403,000 per program. These fees are typically adjusted annually, but exemptions and waivers may be available under certain circumstances. No user fee is required for orphan drug product applications, except when an application also includes an indication for a non-rare disease or condition.

The FDA conducts a preliminary review of all NDAs and BLAs within 60 days of receipt and informs the sponsor by the 74th day after the FDA's receipt of the submission whether an application is sufficiently complete to permit substantive review. The FDA may request additional information rather than accept an NDA or BLA for filing. In this event, the application must be resubmitted with the additional information.

After the submission is accepted for filing, the FDA begins an in-depth substantive review of the application. Under the goals and policies agreed to by the FDA under PDUFA, the FDA has ten months from the filing date in which to complete its initial review of a standard application and respond to the applicant and six months from the filing date for an application with priority review. The review process may be extended by the FDA for three additional months to consider new information or in the case of a clarification provided by the applicant to address an outstanding deficiency identified by the FDA following the original submission. Despite these review goals, it is not uncommon for FDA review of an NDA or BLA to extend beyond the PDUFA goal date.

Before approving an NDA or BLA, the FDA will typically conduct a pre-approval inspection of the manufacturing facilities for the therapeutic/biologic to determine whether the manufacturing processes and facilities comply with cGMPs. The FDA will not approve the product unless it determines that the manufacturing processes and facilities comply with cGMP requirements and are adequate to assure consistent production of the product within required specifications. The FDA also may inspect the sponsor and one or more clinical trial sites to assure compliance with GCP requirements and the integrity of the clinical data submitted to the FDA.

Additionally, the FDA may refer any NDA or BLA, including applications for novel product candidates which present difficult questions of safety or efficacy, to an advisory committee for review, evaluation and recommendation as to whether the application should be approved and under what conditions. Typically, an advisory committee is a panel of independent experts, including clinicians and other scientific experts. The FDA is not bound by the recommendation of an advisory committee, but it considers such recommendations when making final decisions on approval. The FDA also may require submission of a Risk Evaluation and Mitigation Strategy ("REMS"), if it determines that a REMS is necessary to ensure that the benefits of the drug outweigh its risks and to assure the safe use of the drug or biological product. If the FDA concludes a REMS is needed, the sponsor of the NDA or BLA must submit a proposed REMS and the FDA will not approve the NDA or BLA without a REMS.

Under the Pediatric Research Equity Act of 2003 ("PREA"), an NDA or BLA or certain supplements thereto must contain data that are adequate to assess the safety and effectiveness of the product for the claimed indications in all relevant pediatric subpopulations, and to support dosing and administration for each pediatric subpopulation for which the product is safe and effective, unless this requirement is waived, deferred or inapplicable. Sponsors must submit a pediatric study plan to FDA outlining the proposed pediatric study or studies they plan to conduct, including study objectives and design, any deferral or waiver requests and other information required by regulation. The FDA must then review the information submitted, consult with the sponsor and agree upon a final plan. In general, PREA requirements do not apply to drugs or biologics for indications granted orphan drug designation by the FDA.

The FDA reviews an NDA or BLA to determine, among other things, whether a product is safe and effective for its intended use and whether its manufacturing is cGMP-compliant to assure and preserve the product's identity, strength, quality and purity. The approval process is lengthy and often difficult, and the FDA may refuse to approve an NDA or BLA if the applicable regulatory criteria are not satisfied or may require additional clinical or other data and information. After evaluating the application and all related information, the FDA may issue either an approval letter or a Complete Response Letter ("CRL"). An approval letter authorizes commercial marketing of the product with specific prescribing information for specific indications. A CRL indicates that the review cycle of the application is complete, and the application will not be approved in its present form. A CRL generally outlines the deficiencies in the submission and may require substantial additional testing or information in order for the FDA to reconsider the application. If a CRL is issued, the applicant may either resubmit the NDA or BLA addressing all of the deficiencies identified in the letter or withdraw the application. If and when those deficiencies have been addressed to the FDA's satisfaction in a resubmission of the NDA or BLA, the FDA will issue an approval letter.

If a product receives regulatory approval from the FDA, the approval is limited to the conditions of use (e.g., patient population, indication) described in the FDA-approved labeling. Further, depending on the specific risk(s) to be addressed, the FDA may require that contraindications, warnings or precautions be included in the product labeling, require that post-approval trials, including Phase 4 clinical trials, be conducted to further assess a product's safety after approval, require testing and surveillance programs to monitor the product after commercialization or impose other conditions, including distribution and use restrictions or other risk management mechanisms under a REMS which can materially affect the potential market and profitability of the product. The FDA may prevent or limit further marketing of a product based on the results of post-marketing trials or surveillance programs. After approval, some types of changes to the approved product, such as adding new indications, manufacturing changes and additional labeling claims, are subject to further testing requirements and FDA review and approval.

Regulation of Combination Products

Certain products may be comprised of components, such as drug or biologic components and device components that would normally be regulated under different types of regulations, and frequently by different centers at the FDA. These products are known as combination products. We expect to rely on a delivery system, such as pre-filled syringes, pen-injectors and/or autoinjectors to deliver certain of our product candidates. Although we have not yet selected the delivery system to use for administration of such product candidates, including RLYB116, we expect that, if approved, any such product candidate would be regulated as a combination product, because it is composed of both a drug or biological product and a delivery system "device."

Under the FDCA and its implementing regulations, the FDA is charged with assigning a center with primary jurisdiction, or a lead center, for review of a combination product. The designation of a lead center generally eliminates the need to receive approvals from more than one FDA center for combination products, although the lead center may consult with other centers within the FDA. The determination of which center will be the lead center is based on the "primary mode of action" of the combination product. Thus, if the primary mode of action of a drug-device combination product is attributable to the drug product, the FDA center responsible for review of the drug product would have primary jurisdiction for the combination product.

A combination product involving a novel drug or biological product and delivery system generally would have a drug or biologic primary mode of action. A combination product with a drug or biologic primary mode of action would be reviewed and approved pursuant to the drug or biologic approval processes. In reviewing the NDA or BLA for such a

product, however, the FDA review division reviewing the application could consult with their counterparts in the device center to ensure that the device component of the combination product met applicable requirements regarding safety, effectiveness, durability and performance. Approval may require the performance of certain clinical studies, such as clinical usability or human factors studies to demonstrate the safety and/or effectiveness of the device component of the combination product.

Similar considerations apply to regulation of drugs combined with delivery systems outside the United States, including in the EU.

Expedited Programs for Serious Conditions

The FDA is authorized to designate certain products for expedited development or review if they are intended to address an unmet medical need in the treatment of a serious or life-threatening disease or condition. These programs include fast track designation, breakthrough therapy designation, priority review designation and accelerated approval.

To be eligible for a fast track designation, the FDA must determine, based on the request of a sponsor, that a product is intended to treat a serious or life-threatening disease or condition and demonstrates the potential to address an unmet medical need by providing a therapy where none exists or a therapy that may be potentially superior to existing therapy based on efficacy or safety factors. Fast track designation provides opportunities for earlier and more frequent interactions with the FDA review team to expedite development and review of the product. The FDA also may review sections of the NDA or BLA for a fast track product on a rolling basis before the complete application is submitted if the sponsor and the FDA agree on a schedule for the submission of the application sections and the sponsor pays any required user fees upon submission of the first section of the NDA or BLA. Fast track designation may be rescinded by the FDA if the designation is no longer supported by data emerging from the clinical trial process.

In addition, a new drug or biological product may be eligible for Breakthrough Therapy designation if it is intended, alone or in combination with one or more other drugs or biologics, to treat a serious or life-threatening disease or condition, and preliminary clinical evidence indicates that the drug or biologic may demonstrate substantial improvement over existing therapies on one or more clinically significant endpoints, such as substantial treatment effects observed early in clinical development. Breakthrough Therapy designation provides all the features of Fast Track designation in addition to intensive guidance on an efficient development program beginning as early as Phase 1 and FDA organizational commitment to expedited development, including involvement of senior managers and experienced review staff in a cross-disciplinary review, where appropriate. Breakthrough designation may be rescinded by the FDA if the designation is no longer supported.

The FDA may designate a product for priority review if it is a drug or biologic that treats a serious condition and, if approved, would provide a significant improvement in safety or effectiveness. The FDA determines at the time that the marketing application is submitted, on a case-by-case basis, whether the proposed drug or biologic qualifies for priority review. A priority review designation is intended to direct overall attention and resources to the evaluation of such applications and to shorten the FDA's goal for taking action on a marketing application from ten months to six months for an original BLA or NDA from the date of filing.

Fast track designation, breakthrough therapy designation and priority review do not change the standards for approval and may not ultimately expedite the development or approval process.

Finally, the FDA may grant accelerated approval to a product for a serious or life-threatening condition that provides meaningful therapeutic advantage to patients over existing treatments based upon a determination that the product has an effect on a surrogate endpoint that is reasonably likely to predict clinical benefit. The FDA may also grant accelerated approval for such a condition when the product has an effect on an intermediate clinical endpoint that can be measured earlier than an effect on irreversible morbidity or mortality ("IMM") and that is reasonably likely to predict an effect on IMM or other clinical benefit, taking into account the severity, rarity, or prevalence of the condition and the availability or lack of alternative treatments. For drugs granted accelerated approval, FDA generally requires sponsors to conduct, in a diligent manner, additional post-approval confirmatory studies to verify and

describe the product's clinical benefit. Failure to conduct required post-approval studies with due diligence, failure to confirm a clinical benefit during the post-approval studies, or dissemination of false or misleading promotional materials would allow the FDA to withdraw the product approval on an expedited basis. All promotional materials for product candidates approved under accelerated approval are subject to prior review by the FDA unless FDA informs the applicant otherwise.

Post-Approval Requirements

Following approval of a new product, the manufacturer and the approved product are subject to pervasive and continuing regulation by the FDA, governing, among other things, monitoring and recordkeeping activities, reporting of adverse experiences with the product and product problems to the FDA, product sampling and distribution, manufacturing and promotion and advertising. Although physicians may prescribe legally available products for unapproved uses or patient populations (i.e., "off-label uses"), manufacturers may not market or promote such uses. The FDA and other agencies actively enforce the laws and regulations prohibiting the promotion of off-label uses, and a company that is found to have improperly promoted off-label uses may be subject to significant liability. The current presidential administration announced in September 2025 that it intends to prioritize enforcement of pharmaceutical advertising requirements.

If there are any modifications to the product, including changes in indications, labeling or manufacturing processes or facilities, the applicant may be required to submit and obtain FDA approval of a new NDA/BLA or an NDA/BLA supplement, which may require the applicant to develop additional data or conduct additional preclinical studies and clinical trials. The FDA may also place other conditions on approvals including the requirement for a REMS to assure the safe use of the product, which may require substantial commitment of resources post-approval to ensure compliance. A REMS could include medication guides, physician communication plans or elements to assure safe use, such as restricted distribution methods, patient registries and other risk minimization tools. Any of these limitations on approval or marketing could restrict the commercial promotion, distribution, prescription or dispensing of products. Product approvals may be withdrawn for non-compliance with regulatory standards or if problems occur following initial marketing.

FDA regulations require that drug and biological products be manufactured in specific approved facilities and in accordance with cGMP. The cGMP regulations include requirements relating to organization of personnel, buildings and facilities, equipment, control of components and drug product containers and closures, production and process controls, packaging and labeling controls, holding and distribution, laboratory controls, records and reports and returned or salvaged products. The manufacturing facilities for our product candidates must meet cGMP requirements and satisfy the FDA or comparable foreign regulatory authorities' satisfaction before any product is approved and our commercial products can be manufactured. In addition, for any of our product candidates that include a device delivery system, the device component will be subject to aspects of the Quality System Regulation ("QSR") applicable to medical devices. Manufacturers of drug-device combination products may either opt to comply with all quality regulations governing each component of the product separately, or may take a "streamlined approach" to cGMP that allows the manufacturer to demonstrate compliance with the drug cGMP along with compliance with several specific provisions from the device QSR—namely, management responsibility, design controls, purchasing controls, corrective and preventive action, installation, and servicing, as applicable.

We rely, and expect to continue to rely, on third parties for the production of clinical and commercial quantities of our products in accordance with cGMP regulations. These manufacturers must comply with cGMP regulations, including requirements for quality control and quality assurance, the maintenance of records and documentation and the obligation to investigate and correct any deviations from cGMP. Manufacturers and other entities involved in the manufacture and distribution of approved drugs or biologics are required to register their establishments with the FDA and certain state agencies and are subject to periodic unannounced inspections by the FDA and certain state agencies for compliance with cGMP and other laws. Accordingly, manufacturers must continue to expend time, money and effort in the area of production and quality control to maintain cGMP compliance.

Once an approval of a drug/biologic product is granted, the FDA may withdraw the approval if compliance with regulatory requirements and standards is not maintained or if problems occur after the product reaches the market. Later discovery of previously unknown problems with a product, including adverse events of unanticipated severity or frequency, or with manufacturing processes, or failure to comply with regulatory requirements, may result in mandatory revisions to the approved labeling to add new safety information, imposition of post-market clinical trials requirement to assess new safety risks or imposition of distribution or other restrictions under a REMS program. Other potential consequences include, among other things:

- restrictions on the marketing or manufacturing of the product, complete withdrawal of the product from the market or product recalls;
- safety alerts, Dear Healthcare Provider letters, press releases or other communications containing warnings or other safety information about a product;
- mandated modification of promotional materials and labeling and issuance of corrective information;
- fines, warning letters, untitled letters or other enforcement-related letters or clinical holds on post-approval clinical trials;
- refusal of the FDA to approve pending NDAs/BLAs or supplements to approved NDAs/BLAs, or suspension or revocation of product approvals;
- product seizure or detention, or refusal to permit the import or export of products;
- injunctions or the imposition of civil or criminal penalties; and
- consent decrees, corporate integrity agreements, debarment, or exclusion from federal health care programs; or mandated modification of promotional materials and labeling and the issuance of corrective information.

In addition, the distribution of prescription pharmaceutical products is subject to the Prescription Drug Marketing Act, which regulates the distribution of drugs and drug samples at the federal level and sets minimum standards for the registration and regulation of drug distributors by the states. Additionally, the Drug Supply Chain Security Act imposes requirements related to identifying and tracing certain prescription drugs distributed in the United States, including most biological products.

U.S. Patent Term Restoration and Hatch-Waxman Marketing Exclusivity

Depending upon the timing, duration and specifics of FDA approval for our product candidates, some of our U.S. patents may be eligible for limited PTE under the Drug Price Competition and Patent Term Restoration Act of 1984, commonly referred to as the Hatch-Waxman Amendments. The Hatch Waxman Amendments permit restoration of the patent term up to five years as compensation for patent term lost during the FDA regulatory review process. Patent-term restoration, however, cannot extend the remaining term of a patent beyond a total of 14 years from the product's approval date, and only those claims covering such approved drug product, a method for using it or a method for manufacturing it may be extended. The patent-term restoration period is generally one-half the time between the effective date of an IND and the submission date of an NDA or BLA plus the time during which the applicant failed to exercise due diligence. Only one patent applicable to an approved drug is eligible for the extension, and the application for the extension must be submitted prior to the expiration of the patent. The USPTO, in consultation with the FDA, reviews and approves the application for any PTE or restoration.

Regulatory exclusivity provisions under the FDCA also can delay the submission or the approval of certain applications. The FDCA provides a five-year period of non-patent marketing exclusivity within the United States to the first applicant to gain approval of an NDA for a new chemical entity. During the exclusivity period, the FDA may not accept for review an abbreviated new drug application ("ANDA") or a 505(b)(2) NDA submitted by another company for another version of such drug. However, an application may be submitted after four years if it contains a certification of patent invalidity or non-infringement.

The FDCA also provides three years of exclusivity for an NDA, 505(b)(2) NDA or supplement to an existing NDA if new clinical investigations, other than bioavailability studies, that were conducted or sponsored by the applicant are deemed by the FDA to be essential to the approval of the application. This three-year exclusivity covers only the conditions of use associated with the new clinical investigations and does not prohibit the FDA from approving ANDAs for drugs containing the original active agent for other conditions of use. Three-year exclusivity will not delay

the submission or approval of a full NDA. However, an applicant submitting a full NDA would be required to conduct or obtain a right of reference to all of the preclinical studies and adequate and well-controlled clinical trials necessary to demonstrate safety and effectiveness.

In addition, both drugs and biologics can obtain pediatric exclusivity in the United States. Pediatric exclusivity, if granted, adds six months to existing exclusivity periods and patent terms. This six-month exclusivity, which runs from the end of other exclusivity protection or patent term, may be granted based on the voluntary completion of a pediatric study in accordance with an FDA-issued "Written Request" for such a study.

Biosimilars and Reference Product Exclusivity for Biological Products

In March 2010, the Patient Protection and Affordable Care Act ("ACA") was enacted in the United States and included the Biologics Price Competition and Innovation Act of 2009 (the "BPCIA"). The BPCIA amended the PHSA to create an abbreviated approval pathway for biological products that are biosimilar to or interchangeable with an FDA-licensed reference biological product. To date, the FDA has approved a number of biosimilars. The FDA approved the first interchangeable biosimilar product in 2021 and has since approved others. The FDA has also issued several guidance documents outlining its approach to reviewing and approving biosimilars and interchangeable biosimilars.

Under the BPCIA, a manufacturer may submit an application that is "biosimilar to" or "interchangeable with" a previously approved biological product or "reference product." In order for the FDA to approve a biosimilar product, it must find that there are no clinically meaningful differences between the reference product and proposed biosimilar product in terms of safety, purity and potency. For the FDA to approve a biosimilar product as interchangeable with a reference product, the agency must find that the biosimilar product can be expected to produce the same clinical results as the reference product and (for products administered multiple times) that the biologic and the reference biologic may be switched after one has been previously administered without increasing safety risks or risks of diminished efficacy relative to exclusive use of the reference biologic. Upon licensure by the FDA, an interchangeable biosimilar may be substituted for the reference product without the intervention of the health care provider who prescribed the reference product.

The biosimilar applicant must demonstrate that the product is biosimilar based on data from analytical studies showing that the biosimilar product is highly similar to the reference product, data from animal studies (including toxicity) and data from one or more clinical studies to demonstrate safety, purity and potency in one or more appropriate conditions of use for which the reference product is approved. In addition, the applicant must show that the biosimilar and reference products have the same mechanism of action for the conditions of use on the label, route of administration, dosage and strength, and the production facility must meet standards designed to assure product safety, purity, and potency.

A reference biological product is granted 12 years of data exclusivity from the time of first licensure of the product, and the first approved interchangeable biologic product will be granted an exclusivity period of up to one year after it is first commercially marketed. The FDA will not accept an application for a biosimilar or interchangeable product based on the reference biological product until four years after the date of first licensure of the reference product.

The BPCIA is complex and only beginning to be interpreted and implemented by the FDA. In addition, recent government proposals have sought to reduce the 12-year reference product exclusivity period. Other aspects of the BPCIA, some of which may impact the BPCIA exclusivity provisions, have also been the subject of recent litigation. As a result, the ultimate impact, implementation and meaning of the BPCIA is subject to significant uncertainty.

Regulation Outside of the United States

In addition to regulations in the United States, we will be subject to a variety of foreign regulations governing clinical trials and commercial sales and distribution of our products. Whether or not we obtain FDA approval for a product candidate, we must obtain approval from the comparable regulatory authorities of foreign countries or economic areas, such as the EU, before we may commence clinical trials or market products in those countries or areas.

Until recently, the EMA and the European Commission ("EC") were responsible for approving new medicines for supply in Northern Ireland according to the Northern Ireland Protocol. From January 1, 2025, in accordance with the "Windsor Framework," all new medicines for the UK market, including Northern Ireland, will be authorized by the MHRA and UK packaging must carry a clearly legible 'UK only' to be allowed onto the UK market. The International Recognition Procedure ("IRP") provides the framework for the MHRA to take into account assessments of medicinal products conducted by trusted regulatory authorities in Australia, Canada, Switzerland, Singapore, Japan, the United States and the EU when assessing applications for marketing authorization.

With the exception of the EU EEA applying harmonized regulatory rules for medicinal products, the approval process and requirements governing the conduct of clinical trials, product licensing, and pricing and reimbursement vary greatly between countries and jurisdictions and can involve additional testing and additional administrative review periods. The time required to obtain approval in other countries and jurisdictions might differ from and be longer than that required to obtain FDA approval. Regulatory approval in one country or jurisdiction does not ensure regulatory approval in another, but a failure or delay in obtaining regulatory approval in one country or jurisdiction may negatively impact the regulatory process in others.

European Union Drug Development, Review and Approval

In the EU, our product candidates will be subject to extensive regulatory requirements. As in the United States, medicinal products can be marketed only if a marketing authorization ("MA") is granted by a competent regulatory agency. Similar to the United States, the various phases of preclinical and clinical research in the EU are subject to significant regulatory controls.

In the EU, clinical trials are primarily regulated by the CTR.

The CTR requires sponsors to submit one clinical trial authorization ("CTA") application via the Clinical Trials Information System, which will then be reviewed by the competent regulatory agency selected by the sponsor as the reporting Member State to lead the validation and evaluation of the application. If successful, the resulting CTA would cover all EU Member States concerned by the application. However, a concerned Member State may in limited circumstances declare an "opt-out" from an approval and prevent the clinical trial from being conducted in such Member State. In addition to a CTA, sponsors of clinical trials conducted in the EU must also obtain a positive opinion on the clinical trial from a research ethics committee in each Member State where the trial will be conducted.

Combination Products

Product candidates that incorporate a medical device for the administration of the medicinal product, and which are intended to be commercialized as a single integral product used exclusively in the given combination, will be regulated by Directive 2001/83/EC or Regulation (EC) 726/2004 as a medicinal product. However, the medical device component must satisfy the general safety and performance requirements under applicable EU law governing general medical devices. Proof of such must be included in an application for MA for the combination product. In particular, to the extent the device component has already been conformity assessed and a European Conformity ("CE") mark affixed, the certificate of conformity issued by the Notified Body must be provided in the MA application dossier. Where the medical device component has not already been CE marked, the MA application dossier must include an opinion issued by a notified body on the conformity of the device component against the relevant general safety and performance requirements set out in Annex I of Regulation (EU) 2017/745.

EU regulatory regime contemplates that MAs can be granted either centrally or nationally, albeit through mutual recognition or decentralized procedure, depending on the type of product and the therapeutic indications for which approval is being sought.

Centralized Procedure

The centralized procedure is compulsory for: medicinal products produced by biotechnology; orphan medicinal products; advanced-therapy medicinal products such as gene-therapies; and medicinal products containing new active substances and which are indicated for the treatment of HIV, AIDS and immune dysfunctions, cancer,

neurodegenerative diseases, diabetes, autoimmune and other immune dysfunctions, and viral diseases. The centralized procedure is optional for other medicines containing a new active substance, which constitute a significant therapeutic, scientific or technical innovation, or which are in the interest of public health in the EU. Under the centralized procedure, a single MA application is submitted to the EMA where it will be evaluated by its advisory committee, the Committee for Medicinal Products for Human Use (the "CHMP"). Under the centralized procedure, the maximum timeframe for the evaluation of a MA application by the EMA is 210 days, excluding clock stops. Clock-stops allow the applicant the necessary time to provide additional information in response to questions raised by the CHMP. The clock-stops considerably extend the time taken by the CHMP to complete the evaluation of a MA application. The EMA will then provide the EC with an opinion on whether the medicinal product should be approved. Ordinarily, within 67 days of receipt of a positive scientific opinion from the EMA, the EC will adopt single MA an implementing decision on granting a centralized marketing authorization. A centralized MA is valid for all EU member states and, by extension (after taking the corresponding national implementing measures), in Norway, Iceland and Liechtenstein.

National Procedure

The purely national procedure results in a MA in a single EU Member State. This route is available for products not falling within the mandatory scope of the centralized procedure.

Decentralized Procedure

The decentralized procedure allows national MA applications in respect of medicinal products not authorized in the EU/European Economic Area ("EEA") to be submitted simultaneously in multiple EU member states. This is in contrast to the mutual recognition procedure, which applies if the product has been authorized in at least one EU member state on a national basis, and the applicant seeks approval progressively of the same medicinal product in one or more EU member state(s). Both the decentralized and mutual recognition procedures provide for approval by one or more "concerned" member state(s) based on an assessment of an application performed by one "reference" member state. Under the decentralized procedure, an applicant submits an application, accompanied by a dossier, containing the requisite scientific data, and related materials to the reference member state and concerned member state(s). The reference member state prepares a draft assessment and drafts of the related materials within 120 days of the receipt of a valid application. Within 90 days of receiving the reference member state's positive assessment report, each concerned member state must approve the assessment report and related materials, unless they identify a potential serious risk to public health.

Mutual Recognition Procedure

Under the mutual recognition procedure, the concerned member state(s) have a 90-day period to recognize the MA in the reference member state. The decentralized procedure contemplates a single clock-stop at day 105 for applicants to address questions raised by the reference member state and concerned member states, which may extend the process for completing the assessment procedure.

In either case, if there is a disagreement between member states during the assessment of the submitted data based on concerns about serious risks to public health, the Coordination Group for Mutual Recognition and Decentralized Procedures will consider the matter and seek to reach a conclusion within 60 days. If this is not possible, the reference member state can escalate the issue to the EMA for arbitration.

Conditional Marketing Authorization

In specific circumstances, Regulation (EC) No 726/2004 (as amended) enables applicants to obtain a conditional MA prior to obtaining the comprehensive clinical data required for an application for a full MA. Such conditional approvals may be granted for product candidates (including medicines designated as orphan medicinal products) if (1) the product candidate is intended for the treatment, prevention or medical diagnosis of seriously debilitating or life-threatening diseases; (2) the drug candidate is intended to meet unmet medical needs of patients; (3) a MA may be granted prior to submission of comprehensive clinical data provided that the benefit of the immediate availability on the market of the medicinal product concerned outweighs the risk inherent in the fact that additional data are still required; (4) the risk-benefit balance of the product candidate is positive, and (5) it is likely that the applicant

will be in a position to provide the required comprehensive clinical trial data. A conditional MA requires specific obligations to be fulfilled by the MA holder, including obligations with respect to the completion of ongoing or new studies and with respect to the collection of pharmacovigilance data. Conditional MAs are valid for one year, and can be renewed annually, if the risk-benefit balance remains positive, and after a satisfactory re-assessment of benefit: risk balance and progress in fulfilling the specific obligations. Failure to submit the required comprehensive data may result in regulatory action against the conditional marketing authorization, including the possibility of its revocation. The timelines for the centralized procedure described above also apply with respect to the review by the CHMP of applications for a conditional MA.

Pediatric Studies

In the EEA, companies developing a new medicinal product must agree upon a pediatric investigation plan ("PIP"), with the EMA's Pediatric Committee ("PDCO") and must conduct pediatric clinical trials in accordance with that PIP, unless a waiver applies. The PIP sets out the timing and measures proposed for the generation of data to support a pediatric indication of the drug for which a MA is being sought. The PDCO can grant a deferral of the obligation to implement some or all of the measures of the PIP until there are sufficient data to demonstrate the efficacy and safety of the product in adults or other age groups not covered by the agreed PIP. Further, the obligation to provide pediatric clinical trial data can be waived by the PDCO in circumstances where the medicinal product or the product class is likely to be ineffective or unsafe in part or all of the pediatric population; or the disease or condition occurs only in adult populations, or the specific medicinal product does not represent a significant therapeutic benefit over existing treatments in pediatric patients. Products that are granted a MA with the results of the pediatric clinical trials conducted in accordance with the PIP (even where such results are negative) are eligible for a six month extension to their supplementary protection certificate. In the case of orphan medicinal products, a two-year extension of the orphan market exclusivity may be available. This pediatric reward is subject to the condition that the results are provided in respect of all studies in compliance with the agreed PIP.

European Union Regulatory Data Exclusivity

In the EU, new products containing a new active substance are considered as "reference medicinal products," and accordingly qualify for eight years of data exclusivity and an additional two years of marketing exclusivity upon granting of a MA. The data exclusivity period prevents generic or biosimilar applicants from relying on the preclinical and clinical trial data contained in the dossier of the reference medicinal product when applying for a generic or biosimilar MA in the EU. The marketing exclusivity period prevents a successful generic or biosimilar MA applicant from commercializing its product in the EU until ten years have elapsed from the initial authorization of the reference medicinal product in the EU. The ten-year market exclusivity period can be extended to a maximum of eleven years if, during the first eight years of those ten years, the MA holder obtains an authorization for one or more new therapeutic indications which, during the scientific evaluation prior to their authorization, are held to bring a significant clinical benefit in comparison with existing therapies.

European Union Orphan Designation and Exclusivity

The criteria for designating an orphan medicinal product in the EU are similar in principle to those in the United States. Under Article 3 of Regulation (EC) 141/2000, a medicinal product may be designated as orphan if it is intended for the diagnosis, prevention or treatment of a life-threatening or chronically debilitating condition, which either (a) affects not more than five in 10,000 persons in the EU when the application is made, or (b), without the benefits derived from orphan status, would not generate sufficient return in the EU to justify investment. In each case, there exists no satisfactory method of diagnosis, prevention or treatment of such condition authorized in the EU, or if such a method exists, the product will be of significant benefit to those affected by the condition. The term 'significant benefit' is defined in Regulation (EC) 847/2000 to mean a clinically relevant advantage or a major contribution to patient care.

Orphan medicinal products are upon grant of a MA, entitled to ten years of market exclusivity for the approved therapeutic indication. During this ten-year market exclusivity period, the EMA or the competent authorities of the Member States of the EEA, cannot accept an application for a MA for a similar medicinal product for the same indication. A similar medicinal product is defined as a medicinal product containing a similar active substance or

substances as contained in an authorized orphan medicinal product, and which is intended for the same therapeutic indication. The application for orphan designation must be submitted before the application for MA. The applicant will receive a fee reduction for the MA application if the orphan designation has been granted, but not if the designation is still pending at the time the MA is submitted. Orphan designation does not convey any advantage in, or shorten the duration of, the regulatory review and approval process.

The ten-year market exclusivity in the EU may be reduced to six years if, at the end of the fifth year, it is established that the product no longer meets the criteria for orphan designation, for example, if the product is sufficiently profitable not to justify maintenance of market exclusivity. Additionally, MA may be granted to a similar product for the same indication at any time if:

- the second applicant can establish that its product, although similar, is safer, more effective or otherwise clinically superior;
- the applicant consents to a second orphan medicinal product application; or
- the applicant cannot supply enough of the orphan medicinal product.

An equivalent regime is reflected in domestic law in the UK. Under the UK regime, however, orphan designations are not granted and instead a decision is made at the point of MA grant.

RLYB212 has been granted orphan drug designation by the EMA for the prevention of FNAIT.

Priority Medicines Designation

Developers of innovative medicinal product can apply to the EMA for access to the Priority Medicines ("PRIME") program. A medicinal product will be accepted onto the PRIME scheme if the EMA determines that the available preliminary data demonstrate the medicinal product's potential to address an unmet medical need and bring a major therapeutic advantage to patients. As part of the program, EMA provides early and enhanced dialogue and support to optimize the development of eligible medicines and speed up their evaluation, aiming to bring promising treatments to patients sooner. Rallybio anticipates that it will request PRIME designation for certain of our product candidates.

Periods of Authorization and Renewals

In general, an initial MA is valid for five years and may be renewed on the basis of a re-evaluation of the risk-benefit balance by the EMA or by the competent authority of the authorizing member state. To this end, the MA holder must provide the EMA or the competent authority with a consolidated version of the file in respect of the medicinal product's quality, safety and efficacy, including all variations introduced since the MA was granted, at least nine months before the MA ceases to be valid. Once renewed, the MA is generally valid for an unlimited period, unless the EC or the competent authority decides, on justified grounds relating to pharmacovigilance, to proceed with one additional five-year renewal.

In accordance with the sunset clause, any authorization which is not followed by the actual placing of the drug on the EU market (in case of centralized procedure) or on the market of the authorizing member state (in the case of the national, decentralized and mutual recognition procedures) within three years after the MA is granted will cease to be valid.

The EU is currently revising its general pharmaceutical legislation, known as the 'Pharma Package'. This initiative is designed to ensure fair access to safe, effective, and affordable medicines throughout the EU. It also aims to boost the competitiveness of the pharmaceutical industry by reducing regulatory burdens and enhancing supply chain security to better prevent and manage shortages.

The legislative process began with the European Commission's proposal in April 2023, followed by the development of positions by the European Parliament and the Council. Trilogue negotiations concluded with a political agreement in December 2025. The agreed text now awaits formal adoption by both the Parliament and Council, after which it will be published in the Official Journal of the EU.

Key measures include a new exclusivity framework, enhanced incentives for orphan drugs and antibiotics, an expanded Bolar exemption, and a shortened regulatory assessment timeframe. The reforms also introduce stricter controls on product availability and supply shortages. It is anticipated that the new EU pharmaceutical legislation will be fully applicable in 2028, following a two-year transition period.

Additionally, in December 2025, the EC proposed the Biotech Act. This legislation is intended to strengthen the competitiveness of the biotechnology sector and facilitate the development and timely market entry of biotechnology innovations, while maintaining high standards for the protection of human health. The Biotech Act introduces a 12-month extension to the Supplementary Protection Certificate ("SPC") for advanced therapy medicinal products such as gene and cell therapies, and innovative biotech medicines. This extension aims to incentivize EU-based manufacturing and R&D by rewarding novel, highly effective medicines that conduct clinical trials across multiple EU Member States, addressing the time lost in regulatory approval.

Brexit and the Regulatory Framework in the United Kingdom

The UK formally left the EU on January 31, 2020, and after the expiry of the transition period on December 31, 2020, became a "third country" for the purposes of EU law. At present, the regulatory regime in the UK broadly aligns with EU regulations. However, it is possible that the regime may diverge in the future. It remains to be seen how Brexit will impact regulatory requirements for product candidates and products in the UK in the long-term.

The EU and the UK concluded a trade and cooperation agreement ("TCA"), which was applied provisionally from January 1, 2021 and entered into force on May 1, 2021. The TCA includes specific provisions concerning pharmaceuticals, which include the mutual recognition of the outcomes of GMP inspections and GMP documents. However, the TCA does not foresee wholesale mutual recognition of UK and EU pharmaceutical regulations.

To be used or sold in the UK, a medicinal product must have a valid MA granted through the national application process. National applications are governed by the Human Medicines Regulations (SI 2012/1916). Applications are made electronically through the MHRA Submissions Portal. The MHRA operates fixed submission and assessment timetables for innovative medicines applications to facilitate consultation with its statutory advisory committee, the Commission on Human Medicines ("CHM"). The MHRA assessment procedure for a MA application involves an initial evaluation, including orphan designation if applicable, and consultation with expert advisory groups as needed. By Day 90, applicants receive a consolidated request for information ("RFI"), which pauses the review clock until a complete response is submitted electronically. Responses are assessed by Day 150, with further RFIs issued for minor issues or a CHM letter for major objections. Each subsequent RFI requires a complete response within three months, and the clock is restarted upon submission. Applicants may make written or oral representations to the CHM if major objections remain. Final compliance checks are conducted once all issues are resolved, and the MHRA issues a grant or refusal letter specifying any conditions and the MA expiry date. The entire assessment process is designed to be completed within 210 calendar days, excluding any procedural clock-stops for additional information or representations. The innovative medicines timetable allows for a positive decision within 150 clock-on days if all issues are resolved following one round of questions. Where there are outstanding issues at Day 150, we will come to a final decision as soon as possible and within 210 clock-on days. The innovative medicines timetable allows for a positive decision within 150 clock-on days if all issues are resolved following one round of questions. Where there are outstanding issues at Day 150, we will come to a final decision as soon as possible and within 210 clock-on days.

In addition, the MHRA 150-day accelerated review is a specialized, fast-track national MA procedure designed for innovative medicines, new active substances, and biosimilars, aiming for a decision in 150 "clock-on" days rather than the standard 210. It requires high-quality applications, typically involving one round of questions and a 60-day cool-down period for responses.

On August 30, 2023, the MHRA published detailed guidance on its recently announced new IRP for MAAs. The IRP applies from January 1, 2024, and replaces existing EU decision reliance procedure. to apply for authorizations from seven international regulators (e.g. Health Canada, Swiss Medic, FDA, EMA, among others). The IRP allows the MHRA to take into account the assessment and decision-making of the 'Reference Regulators' to perform a targeted assessment of IRP applications but retain the authority to reject applications if the evidence provided is considered

insufficiently robust. There exist two recognition timetables for new IRP MAAs: IRP Route A (60 days) and IRP Route B (110 days), both starting from validation. Eligibility is determined via an applicant-completed form six weeks before submission. Recognition A applies to applications with Reference Regulator approval within the past two years, with no clock stop, but may revert to Recognition B if major objections arise. IRP Route B covers Reference Regulator approvals within the past ten years (or exceptionally older) and applies if specific criteria, such as conditional approvals, manufacturing changes, or UK-specific requirements, are met. IRP Route B allows for consultation with the CHM and aligns with CHM dates for new active substances. Applications not eligible for either timetable may be submitted as full national applications if MHRA requirements are met. IRP can be used for post-authorization measures including line extensions, variations, and renewal application.

Rest of the World Regulation

For other countries outside of the EU and the United States, such as countries in Eastern Europe, Latin America or Asia, the requirements governing the conduct of clinical trials, product licensing, pricing and reimbursement vary from jurisdiction to jurisdiction. Additionally, the clinical trials must be conducted in accordance with current good clinical practice requirements and the applicable regulatory requirements and the ethical principles that have their origin in the Declaration of Helsinki.

If we fail to comply with applicable foreign regulatory requirements, we may be subject to, among other things, fines, suspension or withdrawal of regulatory approvals, product recalls, seizure of products, operating restrictions, and criminal prosecution.

Coverage, Pricing and Reimbursement

Sales of any biopharmaceutical products, if and when approved by the FDA or analogous authorities outside the United States, will depend in significant part on the availability of third-party coverage and reimbursement for the products.

In the United States, third-party payors include government healthcare programs, such as Medicare and Medicaid, private health insurers, managed care plans and other organizations. These third-party payors are increasingly challenging the price and examining the cost-effectiveness of medical products and services, including biopharmaceutical products. Significant uncertainty exists regarding coverage and reimbursement for newly approved healthcare products. Seeking coverage and reimbursement is time consuming and expensive. We may need to conduct expensive pharmacoeconomic studies to demonstrate the medical necessity and cost-effectiveness of our products, which would be in addition to the studies required to obtain FDA regulatory approvals. Third-party payors may take into account clinical practice guidelines in determining coverage and there may be significant delays before our products are addressed by such guidelines and we cannot predict what position such guidelines would take with respect to our products if and when addressed. Coverage and reimbursement varies across third-party payors. Third-party payors may limit coverage to specific products on an approved list, or formulary, which might not include all of the approved products for a particular indication, or utilize other mechanisms to manage utilization (such as requiring prior authorization for coverage for a product for use in a particular patient). Limits on coverage may impact demand for our products. Even if coverage is obtained, third-party reimbursement may not be adequate to allow us to sell our products on a competitive and profitable basis. As a result, we may not be able to maintain price levels high enough to realize an appropriate return on investment in product development.

In addition, in some foreign countries, the proposed pricing for a drug must be approved before it may be lawfully marketed. The requirements governing drug pricing vary widely from country to country. Some countries provide that drug products may be marketed only after a reimbursement price has been agreed. Some countries may require the completion of additional studies that compare the cost-effectiveness of our product candidate to currently available therapies (so called health technology assessment ("HTA") in order to obtain reimbursement or pricing approval). For example, subject to the requirements set out in Directive 89/105/EEC relating to the transparency of measures regulating the pricing of medicinal products for human use and their inclusion in the scope of national health insurance systems, EU Member States have the legal competence to set national measures of an economic nature on the marketing of medicinal products in order to control public health expenditure on such products. Accordingly, EU Member States can restrict the range of medicinal products for which their national health insurance systems

provide reimbursement and to control the prices of medicinal products for human use. An EU Member State may approve a specific price for the medicinal product, or it may instead adopt a system of direct or indirect controls on the profitability of the company placing the medicinal product on the market. Other EU Member States allow companies to fix their own prices for drug products but monitor and control prescription volumes and issue guidance to physicians to limit prescriptions. There can be no assurance that any country that has price controls or reimbursement limitations for pharmaceutical products will allow favorable reimbursement and pricing arrangements for any of our products. Historically, products launched in the EU do not follow price structures of the United States and generally tend to be significantly lower.

Regulation (EU) 2021/2282 on health technology assessment (the "HTA Regulation") entered into force on January 11, 2022 and will apply from January 12, 2025. Given the increasing use of HTA to guide market access in EU member states, the HTA Regulation seeks to achieve three legislative objectives: to promote convergence in HTA tools, procedures and methodologies; to ensure efficient use of resources and strengthen the quality of HTA across the EU and to improve business predictability. From January 15, 2025, all new oncology medicines and advanced therapy medicinal products (i.e. gene and cell therapies and tissue engineered products) will be assessed at EU level through the Joint Clinical Assessment procedure ("JCA"), which forms part of an HTA and evaluates the relative clinical effectiveness of a new health technology against one or more other health technologies. Importantly, the outcomes of JCAs are not binding on national HTA bodies which may draw their own conclusions on the clinical added value of a new technology. From January 13, 2028, all new orphan medicinal products will be subject to JCA. From January 13, 2030, all new medicines will come under the scope of the HTA Regulation. The HTA Regulation established the Coordination Group on HTA (the "HTACG") consisting of representatives of EU member states, mainly from HTA authorities or bodies. The HTACG's remit is to coordinate and adopt the joint HTA work carried out by its subgroups within the scope of the HTA Regulation and to adopt methodological and procedural guidance documents for joint work, including JCAs.

The downward pressure on health care costs in general, particularly prescription drugs, has become intense. As a result, increasingly high barriers are being erected to the entry of new products. In addition, there can be considerable pressure by governments and other stakeholders on prices and reimbursement levels, including as part of cost containment measures. Political, economic, and regulatory developments may further complicate pricing negotiations, and pricing negotiations may continue after reimbursement has been obtained. Reference pricing used by various EU Member States and parallel import or distribution (arbitrage between low-priced and high-priced member states) can further reduce prices. Any country that has price controls or reimbursement limitations for drug products may not allow favorable reimbursement and pricing arrangements.

Other U.S. Health Care Laws and Regulations

In the United States, biopharmaceutical manufacturers and their products are subject to extensive regulation at the federal and state level, such as laws intended to prevent fraud and abuse in the healthcare industry, which may constrain their business operations. These laws, some of which will apply only if and when we have an approved product, include:

- federal false claims, false statements and civil monetary penalties laws prohibiting, among other things, any person from knowingly presenting, or causing to be presented, a false claim for payment of government funds or knowingly making, or causing to be made, a false statement to get a false claim paid;
- federal healthcare program anti-kickback law, which prohibits, among other things, persons from offering, soliciting, receiving or providing remuneration, directly or indirectly, to induce either the referral of an individual for, or the purchasing or ordering of, a good or service for which payment may be made under federal healthcare programs such as Medicare and Medicaid;
- the federal Health Insurance Portability and Accountability Act of 1996 ("HIPAA") which, in addition to privacy protections applicable to healthcare providers and other entities, prohibits executing a scheme to defraud any healthcare benefit program or making false statements relating to healthcare matters;
- FDCA, which among other things, strictly regulates drug marketing, prohibits manufacturers from marketing such products prior to approval or for off-label use and regulates the distribution of samples;

- federal laws that require pharmaceutical manufacturers to calculate, report and certify certain complex product prices to the government or provide certain discounts or rebates to government authorities or private entities, often as a condition of reimbursement under government healthcare programs;
- federal Open Payments (or federal "sunshine" law), which requires pharmaceutical and medical device companies to monitor and report certain financial interactions with certain healthcare providers to the Centers for Medicare & Medicaid Services within the U.S. Department of Health and Human Services ("HHS") for re-disclosure to the public, as well as ownership and investment interests held by physicians and their immediate family members;
- federal consumer protection and unfair competition laws, which broadly regulate marketplace activities and activities that potentially harm consumers;
- analogous state laws and regulations, including: state anti-kickback and false claims laws; state laws requiring pharmaceutical companies to comply with specific compliance standards, restrict financial interactions between pharmaceutical companies and healthcare providers or report information related to payments to health care providers, marketing expenditures or drug prices; state or local laws requiring the registration of pharmaceutical sales representatives; state laws regulating the manufacture and distribution of biopharmaceutical products; and state laws governing privacy, security and breaches of health information in certain circumstances, many of which differ from each other in significant ways and often are not preempted by HIPAA, thus complicating compliance efforts; and
- laws and regulations prohibiting bribery and corruption, such as the U.S. Foreign Corrupt Practices Act of 1977, as amended (the "FCPA") which, among other things, prohibits U.S. companies and their employees and agents from authorizing, promising, offering, or providing, directly or indirectly, corrupt or improper payments or anything else of value to foreign government officials, employees of public international organizations or foreign government-owned or affiliated entities, candidates for foreign public office, and foreign political parties or officials thereof.

Ensuring compliance is time consuming and costly. Violations of the laws may be subject to criminal and/or civil sanctions, including, in some instances, exclusion from participation in federal and state health care programs, which could adversely affect our business, financial condition, results of operations, and prospects.

Similar healthcare laws and regulations exist in the EU and other jurisdictions, including reporting requirements detailing interactions with and payments to healthcare providers and laws governing the privacy and security of personal information.

Health Care Reform in the United States and Potential Changes to Health Care Laws

Health care reform has been a significant trend in the U.S. health care industry and elsewhere. In particular, government authorities and other third-party payors have attempted to control costs by limiting coverage and the amount of reimbursement for particular medical products and services. Health care reform, specifically reform addressing pricing and payment for drugs, has been an ongoing focus and is likely to continue under the current presidential administration. A number of healthcare reforms involving drugs have been successfully implemented, including reforms related to Medicare payment for drugs and manufacturer rebate obligations under the Medicaid Drug Rebate Program.

There has been heightened governmental scrutiny in recent years over the manner in which manufacturers set prices for their marketed products, which has resulted in proposed and enacted federal and state legislation designed to, among other things, bring more transparency to product pricing and reform government program reimbursement methodologies for pharmaceutical and biologic products. At the state level, individual states are increasingly passing legislation and implementing regulations designed to control pharmaceutical and biological product pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures, and, in some cases, designed to encourage importation from other countries and bulk purchasing. These measures could reduce the ultimate demand for our products, once approved, or put pressure on our product pricing.

We cannot predict the likelihood, nature or extent of government regulation that may arise from future legislation or administrative or executive action, either in the United States or abroad. We expect that additional federal and state health care reform measures will be adopted in the future, any of which could limit the amounts that federal and state governments will pay for health care products and services.

For a more detailed discussion of health care reform in the U.S., see *"Risk Factors—Risks Related to Rallybio—Risks Related to Healthcare Laws and Other Legal Compliance Matters."*

Data Privacy Regulation

U.S. Privacy Law

There are numerous U.S. federal and state laws and regulations related to the privacy and security of personal information, including laws requiring the safeguarding of personal information, laws requiring notification to governmental authorities and data subjects as well as remediation in the event of a data breach, and laws that afford individuals numerous rights with respect to their personal information.

There have been several developments in recent years with respect to U.S. state data privacy laws. For example, the California Consumer Privacy Act of 2018, as amended by the California Privacy Rights Act (collectively, "CCPA") imposes many requirements for the collection, processing, and sharing of personal information of California residents. The CCPA contains significant penalties for companies that violate its requirements and provides California residents a private right of action, including the ability to seek statutory damages, in the event of a breach involving their personal information. Several states have proposed or passed comprehensive privacy laws, including several laws imposing obligations similar to those of the CCPA. In addition, several states have proposed or enacted health-focused consumer privacy laws, such as Washington state's My Health, My Data Act, which took effect in March 2024, and imposes obligations related to the collection and sharing of certain health-related information that is not subject to HIPAA and that does not fall within certain other exceptions in the law.

Also of note, in June 2024, the Protecting Americans' Data from Foreign Adversaries Act of 2024 took effect. This law prohibits data brokers from making available certain personally identifiable sensitive data of U.S. individuals to "foreign adversary" countries, such as the People's Republic of China (the "PRC"), and entities controlled by such countries. Additionally, in January 2025, the DOJ published a final rule implementing President Biden's Executive Order 14117, "Preventing Access to Americans' Bulk Sensitive Personal Data and United States Government-Related Data by Countries of Concern," which became effective in April 2025. This final rule prohibits certain data brokerage transactions and transactions involving certain bulk human "omic data and biospecimens from which such data can be derived with restricted persons and jurisdictions, such as the PRC, and "covered persons" that have certain ties to such restricted jurisdictions. The final rule also places restrictions on certain vendor, employment and investment agreements with such jurisdictions.

General Data Protection Regulation

Many countries outside of the United States maintain rigorous laws governing the privacy and security of personal information. For example, the collection, use, disclosure, transfer, or other processing of personal data, including personal health data, regarding individuals who are located in the EEA, and the processing of personal data that takes place in the EEA, is subject to the General Data Protection Regulation ("GDPR"), which became effective on May 25, 2018. The GDPR is wide-ranging in scope and imposes numerous requirements on companies that process personal data, and it imposes heightened requirements on companies that process health and other sensitive data, such as requiring in many situations that a company obtain the consent of the individuals to whom the sensitive personal data relate before processing such data and imposing strict rules regarding the transfer of personal data to countries outside the EEA, including the United States. The GDPR permits data protection authorities to impose large penalties for violations of the GDPR, including potential fines of up to €20 million, or 4% of annual global revenues, whichever is greater, and confers a private right of action on data subjects and consumer associations to lodge complaints with supervisory authorities, seek judicial remedies, and obtain compensation for damages resulting from violations of the GDPR. Following the withdrawal of the U.K. from the EU, the U.K. Data Protection Act 2018 applies to the processing of personal data that takes place in the U.K. and includes parallel obligations to those set forth by GDPR.

Employees and Human Capital Resources

As of December 31, 2025, we employed 14 full-time employees. Of our full-time employees, 7 employees are engaged in new product sourcing through business development, research, manufacturing, product development and clinical development, and 7 are engaged in executive, finance, human resources, legal and other administrative functions. None of our employees are represented by a labor union or covered by a collective bargaining agreement. We consider our relationship with our employees to be good.

Corporate Information

Rallybio was founded in 2018. Rallybio Holdings, LLC ("Rallybio Holdings") was formed in Delaware in March 2018 and Rallybio IPD, LLC was formed in Delaware in May 2020. On June 30, 2021, Rallybio IPD, LLC was converted into a Delaware corporation and changed its name to Rallybio Corporation.

Our principal executive offices are located at 234 Church Street, New Haven, CT 06510 and our telephone number is (203) 859-3820. Our corporate website address is <https://www.rallybio.com>. Information contained on or accessible through our website is not incorporated by reference into this report and you should not consider information contained on or accessible through our website to be part of this report.

Available Information

Our Internet address is <https://www.rallybio.com>. Our website and the information contained on, or that can be accessed through, the website will not be deemed to be incorporated by reference in, and are not considered part of, this proxy statement/prospectus. Our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, including exhibits, proxy and information statements and amendments to those reports filed or furnished pursuant to Sections 13(a), 14, and 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") are available through the "Investors" portion of our website free of charge as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. In addition, our filings with the SEC may be accessed through the SEC's Interactive Data Electronic Applications system at <https://www.sec.gov>. All statements made in any of our securities filings, including all forward-looking statements or information, are made as of the date of the document in which the statement is included, and we do not assume or undertake any obligation to update any of those statements or documents unless we are required to do so by law.

CANDID'S BUSINESS

Unless otherwise indicated or the context otherwise requires, references in this section to "Candid," the "Company" "we," "us," "our" and other similar terms refer to Candid and its subsidiary.

Overview

We are a global clinical-stage biotechnology company focused on building the leading portfolio of TCE therapeutics to treat autoimmune diseases, which affect an estimated 5-10% of the global population. Despite available treatments, many patients experience persistent disease activity, progressive organ damage, and lifelong dependence on immunosuppressive therapies that provide incomplete disease control and cause significant adverse events. Cizutamig, which targets B-cell maturation antigen ("BCMA"), is our lead clinical-stage TCE program and is advancing into global Phase 2 studies in generalized myasthenia gravis ("gMG") and systemic autoimmune rheumatic diseases—interstitial lung disease ("SARD-ILD"). TCEs harness a patient's own T cells to deplete pathogenic B-cells, with the potential to deliver either deep depletion of B-cells, which could provide durable disease remission ("immune reset"), or partial depletion of B-cells, which could provide for controlled, sustained disease management ("immune dimming").

We have built a diversified pipeline of four TCE programs in development targeting distinct B-cell antigens—BCMA, CD20, and CD19. Our most advanced clinical stage program, cizutamig, is a BCMA TCE that is being investigated in multiple Phase 1 dose-escalation trials in patients with gMG and systemic lupus erythematosus ("SLE") as well as investigator-initiated trials ("IITs") in SARD-ILD, systemic sclerosis ("SSc"), and other diseases. Biopsies obtained post treatment with cizutamig show deep B-cell depletion, including plasma cells, in bone marrow and lymph nodes. In patients with gMG, we have seen clinical improvements with standardized physician and patient disease activity indices. In patients with SARD-ILD, we have seen improvements in lung function as measured by increases in force vital capacity ("FVC"). Cizutamig has demonstrated a favorable tolerability profile in patients with autoimmune disease with low rates of adverse events related to cytokine release and no deaths or dose-limiting adverse events. We plan to initiate global Phase 2 clinical trials in gMG and SARD-ILD by the middle of 2026. In gMG, we plan to conduct a head-to-head study comparing cizutamig to VYVGART®, a neonatal Fc receptor ("FcRn") antagonist therapy.

Our second clinical-stage program, CND261, is a CD20 TCE that is being investigated in Phase 1 dose-escalation studies in patients with rheumatoid arthritis ("RA"), SLE, as well as an IIT in ANCA-associated vasculitis. CND261 was engineered with the goal of achieving deeper B-cell depletion than approved CD20-targeted monoclonal antibodies ("mAbs") such as Rituxan® or GAZYVA®. Lymph node biopsies post treatment with CND261 in patients with autoimmune disease shows deep depletion of CD20 positive B-cells. CND261 has demonstrated a favorable tolerability profile in patients with autoimmune disease with low rates of adverse events related to cytokine release and no deaths or dose-limiting adverse events. Beyond these two clinical programs, we have built a pipeline of next-generation trispecific TCEs, each designed to target two different antigens expressed on B-cells. CND319 is a TCE that targets CD19 and CD20 for B-cell depletion. In non-human primate studies, single doses of CND319 show deep tissue B-cell depletion with minimal cytokine release. We expect to initiate first-in-human studies for CND319 in the middle of 2026. CND460 is a TCE that targets CD19 and BCMA and is currently undergoing IND-enabling studies with first-in-human trials planned for the first half of 2027.

Our Approach: Why TCEs Can Be a Transformative Treatment for Autoimmune Diseases

B-cell dysregulation drives autoimmune disease pathology, making these cells an attractive therapeutic target. TCEs engage a patient's own T cells via CD3 binding to kill pathogenic B-cells, which can include the terminally differentiated plasma cells, potentially achieving either immune reset or immune dimming. Clinical data with our TCE drug candidates as well as third party data with other TCE drug candidates demonstrate strong signs of clinical improvement, even in patients who have failed multiple therapies. Our TCE drug candidates have the potential to be differentiated from marketed TCEs based on an improved safety and tolerability profile.

We believe TCEs represent a significant step forward versus existing antibody and cell therapy-based approaches. Compared to mAbs, TCEs deliver deeper B-cell killing in tissues through T-cell engagement which has been shown to

translate to improved clinical responses. Compared to CAR-T therapy, which has also shown deep B-cell depletion in tissues, TCEs offer the following several advantages: no need for leukapheresis, no lymphodepleting chemotherapy, more scalable manufacturing, and off-the-shelf availability with the potential for outpatient administration. In clinical trials and real-world use to date, TCEs appear to have an improved safety and tolerability profile as compared to CAR-T therapies. TCEs have the potential to combine the potency needed to achieve deep B-cell depletion with the practical attributes required for broad patient access.

We are evaluating cizutamig in clinical trials and IITs using a range of dosing regimens designed to achieve both immune reset and immune dimming. Immune reset offers the potential advantage of a “one and done” approach in which a single treatment cycle can lead to deep B-cell depletion, which in turn could provide for durable disease remission. Immune dimming refers to partial B-cell depletion which offers the potential advantage of disease control and minimization of deep immune suppression which could be associated with higher rates of infection. Immune dimming would likely require intermittent chronic dosing at lower target doses. TCEs can be developed for both the immune reset and immune dimming profiles based on different dosing regimens which we believe is a unique property of TCEs as compared to other B-cell depleting modalities.

Our clinical development strategy is focused on: (1) efficiently generating proof-of-concept clinical data across multiple autoimmune diseases (2) using clinical data to prioritize indications for further investment into mid to later stage clinical trials and (3) maintaining regulatory alignment and operational flexibility. To date, we have generated clinical data in China, Europe, and Australia through investigational new drug (“IND”) studies, IITs, and compassionate use via named patient use (“NPU”). As we advance cizutamig into global Phase 2 studies, we plan to engage with key regulatory agencies, including but not limited to the FDA, EMA, and NMPA, to align on study design, endpoints, and registration pathways. We believe speed, disciplined execution, and data-driven decision-making are core strengths of our team, and we continuously evaluate emerging clinical data to advance high-potential programs and indications while deprioritizing those that do not meet our clinical or commercial thresholds.

Our Pipeline

We have built a portfolio of four TCE programs at various stages of development. Our current pipeline is summarized in the table below.

Drug Candidate	Clinical Focus	Discovery	IND-enabling	Phase 1	Phase 2	Phase 3	Anticipated Near-Term Milestones
Cizutamig (BCMA/CD3)	Autoantibody driven autoimmune diseases ¹						1H '26: Complete subcutaneous Ph1 study - Mid '26: Start Ph2 studies
CND261 (CD20/CD3)	Autoimmune diseases ²						1H '26: Initial clinical data
CND319 (CD19/CD20/CD3)	Autoimmune diseases						Mid '26: First-in-human studies
CND460 (BCMA/CD19/CD3)	Autoimmune diseases						1H '27: First-in-human studies

¹Phase 1 multiple myeloma (MM) completed (40 patients)
²Phase 1 Non-Hodgkin's lymphoma (NHL) completed (93 patients)

Cizutamig – A bispecific TCE Antibody Targeting BCMA expressing B-cells and CD3 expressing T-cells

Cizutamig is a bispecific TCE antibody purposefully designed to bind BCMA which is expressed on B-cells including plasmablasts and plasma cells, with a lower affinity to CD3 on T cells to minimize cytokine release. Plasma cells are the primary source of pathogenic autoantibodies in autoimmune diseases. Unlike FcRn antagonists such as VYVGART®, which indirectly reduce autoantibodies by accelerating their clearance without eliminating the plasma cells producing them, cizutamig directly targets and depletes plasma cells, potentially achieving deeper and more durable reductions in pathogenic autoantibodies.

As of February 2, 2026, we have dosed 47 autoimmune patients with cizutamig intravenously across multiple ongoing Phase 1 clinical trials, IITs and through compassionate use via NPU. Evaluation was done in patients with gMG, SARD-ILD, SLE, SSc, RA, and other autoimmune diseases with cytokine release syndrome ("CRS") occurring in 13% of patients (11% Grade 1 and 2% Grade 2), and no cases of immune effector cell-associated neurotoxicity syndrome ("ICANS"), deaths, or dose limiting adverse events. Biopsies obtained post treatment with cizutamig show deep B-cell and plasma cell depletion in bone marrow and lymph nodes. In patients with gMG, clinical improvements were seen using standardized physician and patient disease activity indices. In patients with SARD-ILD, improvements in lung function as measured by increases in FVC and diffusing capacity of the lungs for carbon monoxide ("DLCO"). Three Phase 2 studies evaluating cizutamig in patients with gMG are being planned: (1) a global placebo-controlled low dose-ranging study expected to start in the middle of 2026, (2) a head-to-head study comparing cizutamig to VYVGART® expected to start in the middle of 2026 in China and (3) an immune reset study for cizutamig in the United States and/or Europe expected to start in the first half of 2027. For SARD-ILD, we are planning a global Phase 2 study comparing cizutamig to standard of care which is expected to start in the middle of 2026. All Phase 2 studies will have cizutamig administered intravenously with plans to transition to subcutaneous dosing in later clinical studies.

Prior to licensing cizutamig from EpimAb Biotherapeutics, cizutamig had been evaluated in patients with multiple myeloma ("MM"), where it demonstrated a 62% objective response rate in 13 patients with MM treated at 60-200 mg doses with a manageable safety and tolerability profile.

CND261 – A bispecific TCE Antibody targeting CD20-expressing B-cells and CD3-expressing T Cells

CND261 is a bispecific TCE antibody designed to bind CD20 on B-cells and CD3 on T cells. By engaging with T cells, CND261 is engineered with the goal of achieving deeper B-cell depletion in tissues compared to CD20-targeted mAbs such as Rituxan® or GAZYVA®. As of February 2, 2026, 26 autoimmune patients with RA, SLE, or ANCA vasculitis have been dosed with CND261. Clinical data shows CRS in 19% of patients (all Grade 1) and no cases of ICANS, deaths, or dose limiting adverse events. Biopsies obtained post treatment with CND261 have demonstrated deep CD20-positive B-cell depletion in lymph nodes. We are continuing clinical evaluation to characterize optimal dosing regimens and clinical activity across different autoimmune diseases.

CND319 – A trispecific TCE Antibody Targeting CD19- and/or CD20-expressing B-cells and CD3 expressing T Cells

CND319 is a trispecific TCE antibody designed to bind CD19 or CD20 on B-cells while engaging CD3 on T cells. Dual targeting of CD19 and CD20 could more thoroughly address B-cell subsets as CD19 or CD20 expression levels can vary, potentially allowing for more complete and durable depletion than single-target approaches. In non-human primate ("NHP") studies, CND319 demonstrated deep B-cell depletion in the spleen, bone marrow, and lymph nodes at single administered doses with minimal cytokine release. We expect to initiate first-in-human studies by the middle of 2026.

CND460 – A trispecific TCE Antibody Targeting BCMA or CD19 expressing B-cells and CD3 expressing T cells

CND460 is a trispecific TCE antibody designed to bind to BCMA and/or CD19 on B-cells or plasma cells, and CD3 on T cells. This dual-target strategy can address a potential limitation of CD19 or CD20-targeted therapies, which deplete B-cells but leave long-lived plasma cells intact which can continue autoantibody production. By achieving redundant and deep B-cells and plasma cells depletion in a single molecule, CND460 has the potential to achieve more profound and durable disease control. CND460 is currently undergoing IND-enabling studies with first-in-human trials planned for first half of 2027.

In addition to our development programs, we continue to have an active discovery effort to identify novel TCEs which can address various immunology and inflammatory diseases. We are collaborating with several research partners to leverage their antibody engineering and other expertise.

Market Opportunity

The pharmaceutical market for autoimmune diseases features several classes of drugs, each generating significant revenue and addressing diverse patient needs. Drugs targeting autoimmune diseases generated approximately

\$105 billion of revenue globally in 2023. Several antibody-based drugs, such as Dupixent®, Humira®, Rituxan®, GAZYVA®, Stelara®, and others are approved and widely prescribed to treat various autoimmune diseases. Humira® is a mAb drug against tumor necrosis factor (“TNF”) that is approved for treatment of nine autoimmune diseases. Humira® in addition to other anti-TNF drugs and drugs against other protein targets have been broadly adopted commercially for the treatment of autoimmune diseases.

While Humira® and other drugs for autoimmune diseases have been widely commercialized, they largely provide symptomatic relief and disease progression occurs in the majority of patients. Furthermore, currently approved therapies require chronic administration, which may result in increased risk of infections, cancer, and other morbidities over time. Therefore, we believe there are significant opportunities for new approaches, such as TCEs for B-cell and plasma cell depletion, to be developed to address the unmet medical need.

Our Executive Team and Investors

Our team is led by entrepreneurial executives who have a track record of advancing programs into and through development. Each executive has deep experience in their respective function and collectively share the vision to build the leading TCE company for autoimmune diseases.

- **Ken Song, M.D., Chairman, President and Chief Executive Officer.** Ken is a career entrepreneur with direct experience in healthcare investing and patient care. Ken has successfully led several life science companies in a diversity of areas. Most recently he led RayzeBio, a radiopharmaceutical company, from concept to Phase 3 in just over 3 years with the eventual sale of the company in February 2024 to Bristol Myers Squibb (“BMS”). Ken also previously co-founded and served as chairman of Ablaze Pharmaceuticals, co-founded and served as Chief Executive Officer of Ariosa Diagnostics (acquired by Roche), Chief Executive Officer of Metacrine, and Executive Chairman of Omniome (acquired by Pacific Biosciences).
- **Tim Lu, M.D., Ph.D., Chief Medical and Scientific Officer.** Tim is a physician scientist entrepreneur with a focus on developing innovative therapies for autoimmune disease. Prior to joining Candid, Tim was the Chief Medical Officer of DICE Therapeutics where he was responsible for developing and executing the clinical development of their lead molecule in autoimmune diseases, which ultimately led to the company's acquisition by Eli Lilly in 2023. Prior to DICE Therapeutics, Tim was senior medical director at Genentech where he oversaw the clinical development of small and large molecule drugs for autoimmune diseases.
- **Arvind Kush, Chief Financial and Business Officer.** Arvind has extensive experience in capital raising and mergers and acquisitions (“M&A”). As Chief Financial Officer at RayzeBio, Arvind helped the company raise significant private financing as well as an initial public offering followed by the acquisition by BMS. Before joining RayzeBio, Arvind executed numerous capital markets and M&A transactions as an investment banker with Bank of America Securities.
- **Bernie Huyghe, Ph.D., Chief Technology Officer.** Bernie has extensive experience in overseeing chemistry, manufacturing and controls (“CMC”) in drug development and commercial launch preparations of biologics and other biological drug products. Bernie has thorough knowledge of good manufacturing practices (“GMP”) and prior to Candid was overseeing the GMP production and CMC efforts of two antibody therapeutics at Viridian Therapeutics.

Our Strategy

We are focused and driven to develop a portfolio of TCE antibody drug candidates for B-cell depletion with a goal of becoming the first company to commercially launch this class of drugs for autoimmune diseases, assuming successful clinical development and approval. Key components of our strategy include:

- **Initiate multiple Phase 2 studies for cizutamig in 2026 and demonstrate superiority of cizutamig over existing therapies where applicable.** In 2026, we plan to initiate multiple Phase 2 studies with cizutamig in gMG and SARD-ILD to further evaluate dosing, safety, and clinical activity. Clinical data observed to date suggest the potential for meaningful differentiation from currently approved therapies across multiple indications.
- **Leverage our global infrastructure to aggressively advance a portfolio of TCE drug candidates into clinical development for multiple autoimmune diseases.** We believe that clinical data generated from our ongoing

and planned trials with each drug candidate will best guide further development into later stages of clinical development. To accelerate this process, we are leveraging our global clinical infrastructure, inclusive of a clinical team in China, to conduct trials across multiple indications in parallel, enabling us to generate data more efficiently and inform development decisions across our portfolio on an expedited timeline.

- **Evaluate immune reset and immune dimming profiles to cater to patient needs in specific autoimmune diseases.** In our clinical trials, we are evaluating both immune reset and immune dimming dosing strategies. We believe the depth and durability of clinical benefit and overall tolerability correlates to the degree of cell depletion and can be tailored for specific indications. We expect the administered dose and dosing frequency will also vary depending on the degree of B-cell depletion desired.
- **Conduct parallel clinical trials to identify the most suitable indications and optimal dosing strategy of cizutamig, CND261, CND319 and CND460.** We are conducting multiple clinical trials for each of the drug candidates in several autoimmune indications with the goal of allowing us to tap into a broader pool of patients for initial clinical evaluation. We believe this data driven approach provides the highest likelihood of success for each of the programs.
- **Purposefully invest capital in activities to pursue further clinical data generation.** We plan to deploy capital in those strategic aspects of the business key to our growth. We believe clinical data will best inform and guide us on how to prioritize further clinical development and indication prioritization. During development, we will look to balance investment amount and time to reach our planned milestones.

Background of Autoimmune Diseases

Autoimmune disease occurs when the immune system ends up attacking normal cells and tissues leading to inflammation and damage. Autoimmune diseases affect an estimated 300–500 million people worldwide and account for more than \$100 billion in annual direct healthcare spending in the United States alone. Despite the availability of numerous drugs, the majority of autoimmune patients experience incomplete disease control with chronic symptoms and progressive organ damage. The scale of unmet need creates a substantial opportunity for disease-modifying therapies capable of delivering durable remission.

Figure 1: U.S. and global prevalence of select autoimmune diseases

I&I Key Disease Prevalence		
INDICATION	United States	Global
Rheumatoid Arthritis	1,300,000	17,600,000
Multiple Sclerosis	1,000,000	2,900,000
Systemic Lupus Erythematosus	205,000	3,400,000
IgA Nephropathy	160,000	2,000,000
Sjögren's Disease	>125,000	>2,000,000
ANCA-Associated Vasculitis	125,000	1,500,000
SARD-ILD	>100,000	>1,000,000
Myasthenia Gravis	100,000	1,000,000
Lupus Nephritis	100,000	1,000,000
Systemic Sclerosis (SSc / Scleroderma)	100,000	1,000,000
Myositis	75,000	1,100,000
CIDP	58,000	400,000

The autoimmune market features several large classes of drugs, each generating significant revenue and addressing diverse patient needs. Several antibody-based drugs, such as Dupixent®, Humira®, Rituxan®, GAZYVA®, Stelara®, and others are approved and widely prescribed to treat various autoimmune diseases. Humira® is a mAb drug against TNF approved to treat nine autoimmune diseases. As of 2023, it was the most commercially successful pharmaceutical product ever with approximately \$220 billion in total cumulative sales.

While several drugs for autoimmune diseases have been widely commercialized, they largely provide symptomatic relief and disease progression occurs in the majority of patients. These therapies provide incremental improvements but share several fundamental challenges:

- Incomplete mechanistic reach limiting efficacy: Many therapies reduce inflammation or deplete subsets of B-cells but do not eliminate plasmablasts and plasma cells, which are major producers of pathogenic autoantibodies, the root cause of several autoimmune indications. Some therapies also have limited depletion of B-cells in tissues.
- Lack of durability: Most autoimmune patients require chronic therapy, often lifelong, resulting in high cumulative treatment costs, real-world adherence challenges and persistent risk of flare or progression
- Safety and tolerability constraints: Most approved therapies require chronic immunosuppression, which increases infection risk, steroid dependence and reduces quality of life.

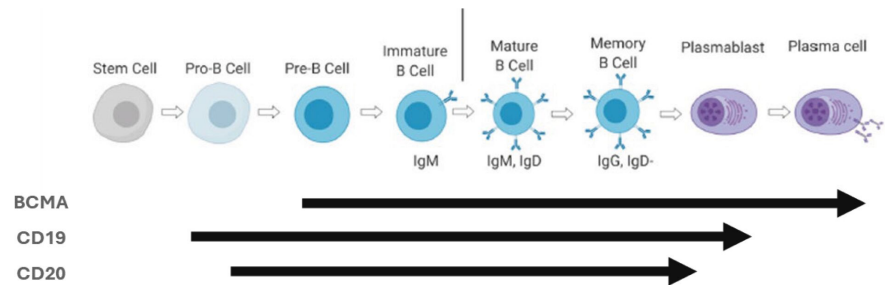
Role of B-Cell Depletion in Autoimmune Diseases

B-cell Overview

B-cells are one type of immune system cells that have several functions. They can release cytokines, serve as antigen presentation cells to modulate other immune cells, such as T cells, and terminally differentiate into plasma cells and produce antibodies that target and neutralize pathogens. However, in autoimmune diseases, B-cells can malfunction and mistakenly produce antibodies against the body's own cells and tissues. In addition, B-cells can misguide immune response driven by complex interactions between B-cells and other immune cells, resulting in a chronic, self-perpetuating cycle of immune activation and tissue destruction. Abnormalities in B-cell regulation can cause or exacerbate autoimmunity, making them an attractive target for therapeutic interventions.

B-cells originate from bone marrow stem cells and undergo further transition and development in the bone marrow and peripheral blood. BCMA is expressed broadly from pre-B cells to the most mature B-cells which are termed plasma cells, the cell types responsible for producing antibodies. BCMA expression is higher on plasmablasts and plasma cells as compared to other B-cell subtypes. Other cell surface proteins such as CD19 and CD20 are expressed in earlier stages of B-cell development. Clinical experience with drugs targeting BCMA have shown deep B-cell depletion of all subtypes and not just plasmablasts and plasma cells. The depth of depletion of B-cell subset populations may vary depending on which cell surface protein of B-cells are targeted and this could lead to differential clinical effects across autoimmune diseases.

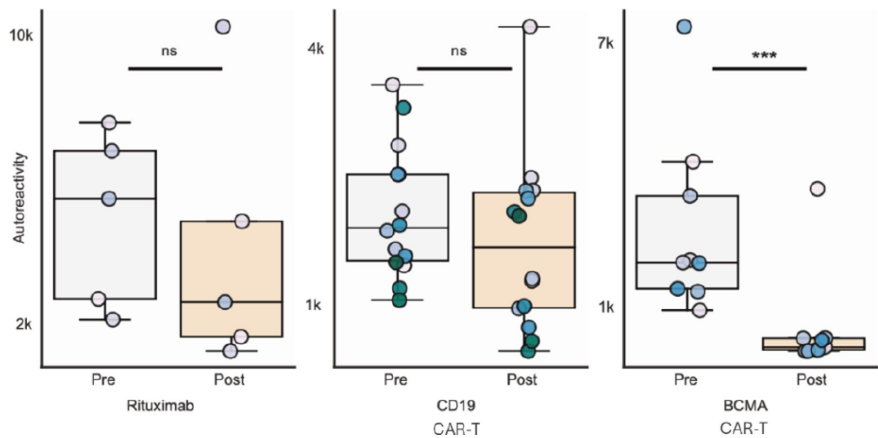
Figure 2: Expression of BCMA, CD20 and CD19 in B-cell subtypes. Black arrows note expression of specific surface proteins.



BCMA is also expressed on activated plasmacytoid dendritic cells, key producers of type I interferons that contribute to inflammatory signaling and support autoreactive B-cell survival in autoimmune diseases. Together, these findings support BCMA as a relevant therapeutic target with the potential to disrupt autoantibody production, inflammatory amplification, and pathogenic B-cell activity, providing a strong mechanistic rationale for BCMA-targeted therapies in autoimmune indications.

A study published by Dr. Joseph DeRisi and colleagues at the University of California, San Francisco, highlights the differential effects of targeting B-cells expressing various cell surface protein markers. Using a high throughput assay, it was found that all individuals, regardless of disease state, possess a distinct and complex set of autoreactive antibodies. This unique immunological fingerprint, or "autoreactome," was stable over years. Analyzing blood samples from cancer patients at baseline and after treatment with B-cell depleting therapies targeting CD20 (mAb), CD19 (CAR-T) or BCMA (CAR-T), showed that targeting BCMA was the only approach to have a statistically significant reduction in the autoreactome. We believe this data highlights the importance of targeting BCMA to maximize clinical benefit in patients with autoantibody driven autoimmune diseases.

Figure 3: Changes in autoreactome of cancer patients treated with therapies targeting CD20 (rituximab mAb), CD19 (CAR-T), and BCMA (CAR-T)



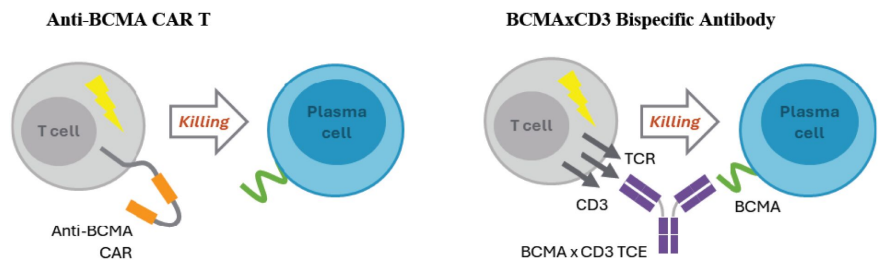
Early clinical experience in patients with gMG highlights the potential difference in targeting BCMA or CD19. Using CAR-T therapy, one published study showed that BCMA CAR-T completely reduced autoantibodies associated with relapsed and refractory gMG in two patients and showed a near complete remission of disease based on the Quantitative Myasthenia Gravis ("QMG") score, a disease activity index for gMG. In a separate published case report, CD19 CAR-T reduced autoantibodies by 71% and showed an improvement but not remission of disease as measured by the QMG score. FcRn antagonist drugs approved to treat gMG work by reducing autoantibody IgG levels indirectly by binding to FcRn which then precludes it from binding to circulating IgG which in turn leads to faster elimination of IgG. These FcRn targeting drugs reduce IgG autoantibodies by approximately 57% but do not have any effect on other Ig antibody classes such as IgM, which can also contribute to disease pathology. FcRn antagonist drugs are administered chronically and are associated with long term immunosuppression.

Different modalities for deep B-cell depletion and the advantages of TCE antibodies

TCEs are typically antibody drugs that work by redirecting the body's own T cells to recognize and kill cells expressing a cell surface protein target of interest. Conventional B-cell targeted mAbs such as Rituxan® or GAZYVA® bind to B-cells of interest but do not recruit T-cells. TCEs directly engage with T-cells via the CD3 binding of the TCE and in turn, the T-cells are able to kill the target cell. We believe a TCE approach will lead to deeper B-cell depletion than mAbs which can translate to better clinical response.

TCEs are able to mimic the immune-engaging mechanism of CAR-T by binding a cell surface protein of interest on a target cell (e.g. BCMA on B-cells) and the CD3 protein on T-cells.

Figure 4: Illustrative example showing mechanism of CAR-T and TCE Mechanism of Action of CAR-T and Bispecific Antibody



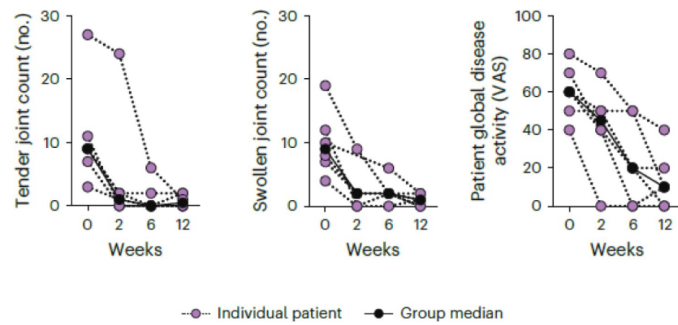
Various modalities are being developed to achieve deep B-cell depletion, including autologous and allogeneic CAR-T therapies, NK-based approaches, in vivo CAR platforms, myeloid engagers, mRNA-based TCE, and TCE antibodies. These approaches differ across several key attributes, including depth of tissue depletion, predictability of pharmacologic effect, potential for prolonged lymphodepletion, scalability of manufacturing, and route of administration. Autologous and allogeneic CAR-based therapies have demonstrated the ability to achieve deep B-cell depletion but involve individualized or complex manufacturing processes and are typically administered intravenously. Emerging modalities, including NK- and mRNA-based approaches, remain under clinical evaluation with respect to durability, pharmacologic control, and scalability.

TCE antibodies are designed as off-the-shelf biologics and may offer a differentiated profile, including the potential for deep B-cell tissue depletion with titratable dosing and subcutaneous administration. TCEs allow for more predictable pharmacokinetics and treatment modulation. While each modality presents potential advantages and limitations, we believe TCE antibodies represent a preferred clinically and commercially viable approach for achieving controlled, deep B-cell depletion in autoimmune diseases, subject to continued clinical validation.

Initial clinical experience of TCEs in autoimmune disease

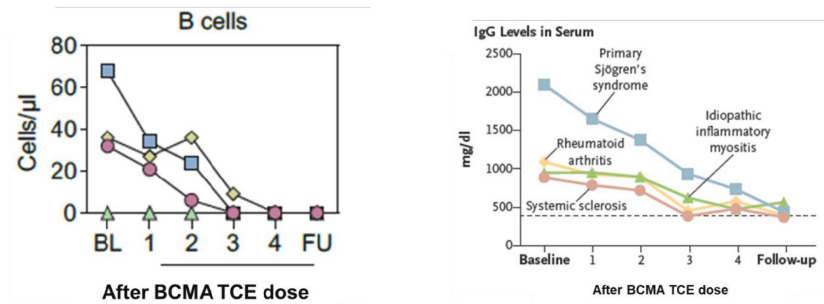
Clinical benefit of using TCEs to treat autoimmune diseases was initially published in the first half of 2024 by the FAU Erlangen group led by Dr. Georg Schett, the pioneer who used CAR-T for autoimmune diseases, and Dr. Ricardo Grieshaber-Bouyer. In this clinical case report series, six patients with RA who had failed a median of seven prior therapies were treated off-label with continuous intravenous infusion of Blincyto®, a CD19 targeting TCE currently approved to treat leukemia. In this study, lower and fewer doses of CD19 TCE as compared to the leukemia approved dose were used to treat patients. All patients with RA showed clinical improvement following treatment as well as peripheral B-cell depletion but incomplete B-cell depletion in lymph nodes. Radiographic imaging using ultrasound and PET-CT showed visual reductions in inflammation. As depicted in Figure 5, the number of tender and swollen joints decreased from a median of 9 and 9 down to 0.5 and 1.0, respectively, at 12 weeks follow-up. Patients also reported feeling better as measured by a global disease assessment scale, which improved from 60 to 10. There were no cases of ICANS and no cases of high grade CRS. Longer term follow-up showed most of the patients had rebound in their clinical improvement, which we believe may have been to suboptimal dosing with incomplete B-cell depletion in lymph nodes.

Figure 5: Effect of CD19 TCE therapy on tender joint count, swollen joint count and patient global disease activity in RA patients



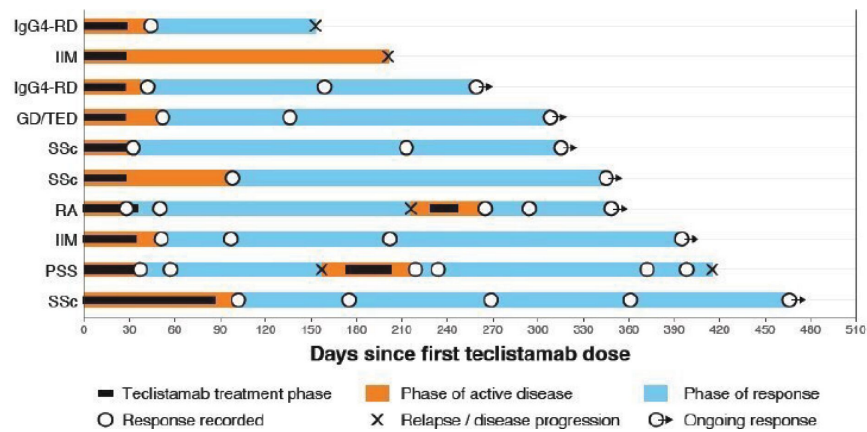
Following the clinical experience of using TCEs in patients with RA, the FAU Erlangen group published their clinical experience using Tecvayli®, a BCMA TCE approved for MM, in four patients with different autoimmune diseases (SSc, Sjögren's syndrome, inflammatory myositis, and RA). The BCMA TCE was administered as 2 step-up doses and the 3rd full dose within the first week of treatment followed by one additional full dose 4 weeks or 12 weeks later. Disease activity in all four patients improved with evidence of deep B-cell depletion and reductions in circulating IgG, IgA, and IgM antibody levels. There were no cases of ICANS and two cases of CRS, one Grade 1 and one Grade 2.

Figure 6: Tecvayli® BCMA TCE therapy decreases B-cells and IgG in peripheral blood in patients with autoimmune disease



Longer term follow-up from FAU Erlangen in ten patients treated with Tecvayli® were published in late 2025. The majority of patients achieved rapid clinical responses with disease free remission, and some patients showing durable response beyond one year. Of the five patients who had interstitial lung disease ("ILD"), four of them had improvements in lung diffusion capacity. Treatment with Tecvayli® was associated with eight cases of CRS of which four cases were Grade 2.

Figure 7: Tecvayli® shows durable disease remission off-therapy in autoimmune diseases



Another case series of five SSc patients treated with Tecvayli® was reported in Nature Medicine this year by a physician group in Dusseldorf. Of the three SSc patients with ILD who had follow-up to at least 6 months, two patients showed objective disease improvement as measured by increase in FVC. The patient who did not show improvement in their ILD had developed pulmonary carcinoma as well as pulmonary hypertension which complicated the interpretation of treatment efficacy. All five patients treated with Tecvayli® experienced CRS, with three patients having Grade 2 and one patient having a Grade 3 event.

Cizutamig – A bispecific TCE Antibody Targeting BCMA-expressing B-cells and CD3-expressing T-cells

Overview

Cizutamig is a bispecific TCE antibody purposefully designed to deplete BCMA-expressing B-cell populations, including plasmablasts and plasma cells, while also mitigating the release of cytokines. In patients with autoimmune disease as well as MM, it has shown low rates of CRS with no ICANS while demonstrating clinical signs of improvement. As of February 2, 2026, cizutamig has been administered in 47 patients across multiple autoimmune indications, using a range of dosing regimens spanning immune dimming to immune reset. Many of the treated patients had advanced, refractory disease and had exhausted approved therapies as well as investigational options. In this difficult-to-treat population, cizutamig treatment was associated with meaningful improvements in disease activity, and several patients have discontinued other autoimmune therapies and remain clinically stable or continue to improve at last follow-up.

Deep B-cell depletion in tissues supportive of immune reset profile

Tissue biopsy data from autoimmune disease patients treated with cizutamig provide mechanistic evidence consistent with an immune reset profile, and this finding has been demonstrated consistently across four patients with different autoimmune diseases.

Lymph node biopsies taken after the third weekly dose in the first treated patient—a 40-year-old with refractory RA—demonstrated deep depletion of B-cells including plasma cells in the lymph node, with marked reductions in CD19+, CD20+, and CD138+ cells relative to baseline as determined by immunohistochemistry (“IHC”). Bone marrow assessments corroborated these findings, showing near-complete elimination of CD19+ B-cells and CD138+ plasma cells. Peripheral B-cell reconstitution was observed at approximately four months post-treatment, with returning B-cells displaying a naïve phenotype (CD27-negative, IgD-positive), consistent with a reset of the pathogenic B-cell compartment.

Bone marrow and/or lymph node biopsies were subsequently obtained in three additional patients across different autoimmune indications, and deep B-cell depletion consistent with the immune reset profile was demonstrated. In two patients with SSc biopsied at 8 weeks (after 5 doses), bone marrow flow cytometry showed plasma cell reductions of greater than 99% and 98%, and mature B-cell reductions of 96% and 97%, respectively. Lymph node biopsies were not obtained from these two patients. In a patient with dermatomyositis biopsied at 7 weeks (after 5 doses), lymph node IHC demonstrated 100% reductions in B-cells including plasma cells. A bone marrow biopsy was not obtained from this patient. No CRS or ICANS was reported in any of the patients. The breadth and consistency of these findings across distinct autoimmune diseases support the potential of cizutamig to induce deep, compartment-wide B-cell, including plasma cell, depletion as a mechanism for potential durable disease remission.

Safety profile of cizutamig in autoimmune patients

As of February 2, 2026, 47 patients with various autoimmune diseases have been dosed intravenously with cizutamig in IND-sponsored studies, IITs, and compassionate use via NPU. Additionally, 16 healthy volunteers have been dosed in an ongoing Phase 1 clinical trial comparing intravenous and subcutaneous formulations of cizutamig. Safety data as of the February 2, 2026 cut off is presented on an aggregated basis and has been generated through ongoing Phase 1 clinical trials, IITs and compassionate use via NPU.

Cizutamig has demonstrated a favorable safety profile in clinical studies to date. Among the 47 patients with autoimmune disease, 13% experienced CRS of any grade: 11% Grade 1 and 2% Grade 2. The sole case of Grade 2 CRS was a transient, asymptomatic hypotensive event lasting less than 30 minutes and responsive to IV fluids. No CRS events were observed in healthy volunteers. No ICANS have been reported across any subjects treated with cizutamig. An analysis of serum cytokines (Interferon gamma, IL-6, TNF-alpha) shows that the first dose of cizutamig serves as a priming dose given a subsequent higher dose of cizutamig administered one week later did not induce a higher level of cytokines.

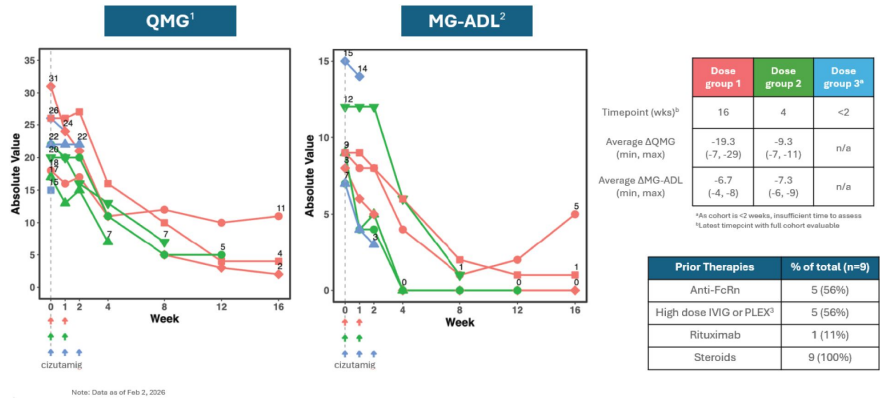
Treatment emergent adverse events ("TEAEs") have been manageable, with more than 92% of patients experiencing only Grade 1 or 2 events. The most frequently observed drug-related TEAEs were hypogammaglobulinemia (39% of patients), which was effectively mitigated with intravenous IG ("IVIg") therapy, and decreased lymphocyte count (23% of patients), consistent with expected T cell margination. Infections were generally mild, with upper respiratory tract infections occurring in 13% of patients. Three treatment-emergent serious adverse events were reported—one case of pneumonia and two cases of COVID-19—all of which were treated and resolved without sequelae.

To date, no deaths, suspected unexpected serious adverse reactions, or dose-limiting adverse events have been reported in patients treated with cizutamig.

Cizutamig for gMG

We are conducting an ongoing multi-center Phase 1 dose-escalation study of cizutamig in patients with refractory gMG in China. As of February 2, 2026, nine patients have been dosed across three cohorts. All nine patients had failed multiple prior therapies, including steroids, pyridostigmine, immunosuppressants, biologics (including FcRn antagonists in 56% and rituximab, or Rituxan®, in 11%), and acute interventions (high-dose IVIG or plasmapheresis in 56%).

Figure 8: Clinical response in gMG after treatment with cizutamig



Cizutamig demonstrated robust and consistent clinical activity across validated disease activity measures—QMG and MG activities of daily living (“MG-ADL”) which are physician and patient reported scores, respectively. In Dose Group 1 (n=3, evaluated at 16 weeks), patients achieved an average reduction of 19.3 points in QMG score (range: -7, -29) and 6.7 points in MG-ADL score (range: -4, -8). In Dose Group 2 (n=3, evaluated at 4 weeks and therefore unlikely to represent maximum benefit), patients achieved an average reduction of 9.3 points in QMG score (range: -7, -11) and 7.3 points in MG-ADL score (range: -6, -9). Dose Group 3 had been enrolled for less than 2 weeks at the time of data cut, with insufficient follow-up to assess clinical endpoints.

Clinical responses were observed as early as 2 weeks post-treatment and were sustained through the observation period across both evaluable dose groups. All patients with at least 4 weeks of follow-up exceeded the established thresholds for clinically meaningful improvement—a reduction of ≥3 points in QMG score and ≥2 points in MG-ADL score. The magnitude of improvement observed substantially exceeded these thresholds, with average QMG reductions of 19.3 and 9.3 points in Dose Groups 1 and 2, respectively. As Dose Group 2 had improvement measured at 4 weeks, we believe deeper responses would be seen with longer follow-up which is ongoing.

The consistency of response across a heavily pretreated, refractory population, the rapid onset of clinical benefit, and the durability of effect through 16 weeks of follow-up support the potential for cizutamig to deliver meaningful clinical benefit in this difficult-to-treat disease. We plan to share initial clinical data from all dose groups for cizutamig in the Phase 1 clinical trial in patients with refractory gMG in early 2027.

We plan to conduct three separate Phase 2 studies in patients with gMG. The first study is expected to initiate in the middle of 2026 in China and will evaluate cizutamig using immune dimming and immune reset dosing regimens versus VYVGART®, an approved FcRn antagonist therapy. The primary endpoints for this study will measure change from baseline in QMG and MG-ADL.

A second Phase 2 study in gMG is also planned to begin in the middle of 2026 as a global, placebo-controlled trial. This study will evaluate multiple low doses of cizutamig as monotherapy compared to placebo, with the same primary endpoints of change in QMG and MG-ADL scores. The dose-ranging design of this study is intended to identify optimal dosing regimens including an immune dimming dose regimen that balance efficacy with safety and tolerability.

A third Phase 2 study in gMG is expected to initiate in the first half of 2027 in the United States and/or Europe. This study will evaluate cizutamig at an immune reset dose regimen, with efficacy assessed through changes in QMG and MG-ADL scores. This study is designed to generate clinical data in Western patient populations that may support future regulatory submissions in these markets.

Background of MG

MG is a chronic autoimmune disease marked by varying degrees of muscle weakness and fatigue afflicting approximately 128,000 and 1.4 million people in the U.S. and globally, respectively. MG is generally classified into ocular MG, which only affects the eye, and gMG which has more systemic involvement and accounts for 85% of MG cases. Either MG condition arises when the immune system produces autoantibodies that attack the communication between nerves and muscles, primarily targeting acetylcholine receptors at the neuromuscular junction. In some cases, antibodies may also target other proteins, such as muscle-specific kinase. This disruption impairs the transmission of nerve impulses, leading to muscle weakness. While symptoms can be transient and may spontaneously remit in the early stages, they typically become more persistent as the disease progresses, with symptom-free intervals becoming less frequent.

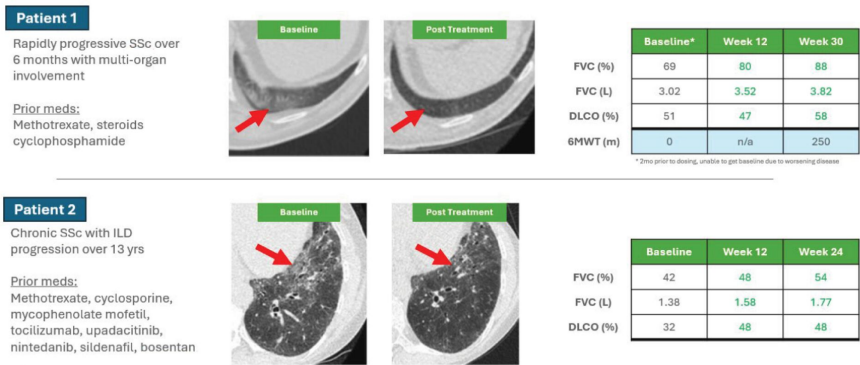
Current therapeutic strategies for MG include steroids, immunosuppressants, and agents that block the complement pathway or inhibit FcRn. FcRn antagonist drugs work by reducing IgG levels indirectly by binding to FcRn which then precludes it from binding to circulating IgG which in turn leads to faster elimination of IgG. These treatments do not have any known effect on IgM antibodies which can also contribute to disease pathology. FcRn antagonist drugs are administered chronically and are associated with long term immunosuppression. VYVGART®, an FcRn antagonist therapy developed and commercialized by Argenx, is approved to treat MG and eclipsed \$1 billion in annual sales in its second full year of commercialization. TCE drugs that target BCMA can deplete B-cells including plasmablasts and plasma cells which are responsible for producing IgG and IgM antibodies.

Cizutamig for SARD-ILD

We have provided compassionate use treatment to patients with SARD-ILD having SSs as their primary rheumatological disease. Two patients with advanced, treatment-refractory SARD-ILD were treated with cizutamig and followed for over six months. Both patients demonstrated clinical and radiographic improvement following treatment and were able to discontinue therapies for SSs.

- The first patient (Patient 1) experienced rapidly progressive SSs over approximately six months with multi-organ involvement and had previously been treated with methotrexate, corticosteroids, and cyclophosphamide. High-resolution computed tomography ("HRCT") showed improvement in ground glass opacities and pulmonary function tests ("PFTs") showed an increase in FVC as well as gas exchange as measured by DLCO. The patient also was able to improve their 6-minute walk test ("6MWT").
- The second patient (Patient 2) had chronic, progressive SSs with an extensive history of prior therapies, including methotrexate, cyclosporine, mycophenolate mofetil, tocilizumab, upadacitinib, nintedanib, sildenafil, and bosentan. HRCT showed improvement in ground glass opacities as well as reticular pattern changes. The patient also showed improvements in both FVC and DLCO as measured by PFTs.

Figure 9: Clinical improvements in ILD following treatment with cizutamig



The above two cases illustrate early radiographic and functional improvements in patients with severe, treatment-refractory SARD-ILD, including individuals with extensive prior therapy and advanced disease. Findings suggest potential disease-modifying activity. Improvements in lung function as measured by PFTs is also consistent with published case series of patients treated with Tecvayli®.

We plan to initiate a global Phase 2 study in the middle of 2026 evaluating cizutamig in patients with SARD-ILD. This global study will compare cizutamig at an immune reset dose regimen to standard of care therapy. The primary endpoint will measure change from baseline in FVC, a clinical endpoint that has been used for approval of other ILD drugs.

Background on SARD-ILD

SARD-ILD encompasses progressive pulmonary complications that occur in patients with systemic autoimmune rheumatic diseases, including SSc, RA, idiopathic inflammatory myopathies, Sjögren's syndrome, and SLE. ILD represents one of the most serious and life-threatening manifestations of these autoimmune conditions, characterized by inflammation and progressive fibrosis of the lung interstitium, leading to impaired gas exchange, declining lung function, and respiratory failure. The prevalence of ILD varies significantly across different diseases with 40-75%, 40-50%, 10-20%, and 3-10% of patients with SSc, idiopathic myopathy, Sjögren's syndrome, and SLE, respectively having concomitant ILD. B-cells and plasma cells are believed to play a central role in disease pathogenesis through production of autoantibodies, secretion of pro-inflammatory and pro-fibrotic cytokines, and aberrant immune cell activation. The progressive nature of SARD-ILD significantly impacts quality of life and carries substantial mortality risk in several patient populations.

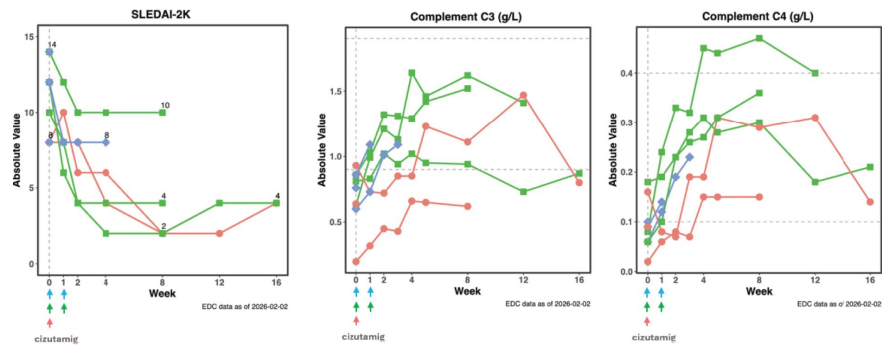
Current treatment options for SARD-ILD remain extremely limited. For SSc-associated ILD specifically, three therapies have received regulatory approval: Ofev®, an oral antifibrotic agent approved by the FDA in 2019; Actemra®, an IL-6 inhibitor approved by the FDA in 2021; and mycophenolate mofetil, an immunosuppressive agent widely used based on clinical trial evidence and guideline recommendations. These approved therapies have demonstrated the ability to slow decline in lung function as measured by FVC but do not reverse disease progression in many patients, and are often limited by significant adverse effects including infections, gastrointestinal toxicity, and liver enzyme elevations. For other forms of SARD-ILD, including RA-ILD and inflammatory myopathy-associated ILD, there are currently no FDA-approved therapies with specific labeled indications, and treatment relies on off-label use of immunosuppressive agents including corticosteroids, cyclophosphamide, azathioprine, and rituximab. Despite available therapies, many patients continue to experience disease progression, and mortality rates remain unacceptably high. Given the central role of B-cells and plasma cells in SARD-ILD pathogenesis and the limitations of current therapies, novel treatments that achieve deep B-cell and plasma cell depletion, such as BCMA-targeted therapies, represent a promising therapeutic approach for this patient population with significant unmet medical need.

Additional clinical studies in autoimmune disease patients currently being explored with cizutamig

Beyond gMG and SARD-ILD, we are pursuing a broad exploratory program with cizutamig across additional autoimmune diseases through a combination of IND-enabled studies, IITs, and compassionate use via NPU. This multi-indication strategy reflects both the mechanistic versatility of BCMA-targeted B-cell, including plasma cell, depletion across autoimmune diseases and our ability to leverage a global clinical infrastructure to generate data in parallel across geographies. Current diseases in which we are or plan to treat patients include a Phase 1 study in SLE, a Phase 1 study in thyroid eye disease ("TED") and Graves' disease, a Phase 1 study in IgE-mediated allergy, as well as IIT studies in ulcerative colitis, IgA nephropathy ("IgAN"), RA, SSc, and Sjögren's syndrome. Compassionate use has been provided to patients with some of the aforementioned diseases as well as in autoimmune hepatitis, idiopathic inflammatory myopathies, and transplant alloantibodies.

In our ongoing Phase 1 multi-center SLE study in China, we have seen clinical improvements in disease activity as measured by the SLE Disease Activity Index 2000 ("SLEDAI-2K"). In addition, complement C3 and C4 levels increase with treatment which can be low during SLE disease flare activity.

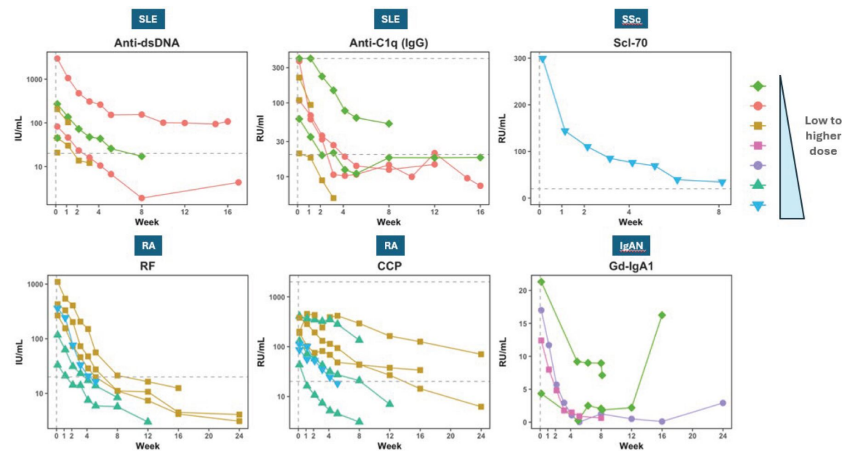
Figure 10: Clinical improvement and complement level changes in SLE following treatment with cizutamig



These exploratory studies serve a dual purpose: they allow us to characterize the safety profile of cizutamig across distinct disease contexts while simultaneously providing early evidence of clinical activity to inform indication prioritization. Given the breadth of autoimmune diseases that may be amenable to deep B-cell depletion, this parallel, indication-agnostic approach is designed to efficiently identify the opportunities where cizutamig has the greatest potential for clinical impact and to direct resources toward the most promising indications for later-stage development.

We have also seen consistent reductions in disease associated autoantibodies in patients who have been treated with cizutamig. These reductions in autoantibodies are likely the result of the plasma cell depletion from treatment.

Figure 11: Reduction of autoantibodies in various autoimmune diseases following cizutamig treatment



Background on SLE

SLE is a complex autoimmune disease-causing widespread inflammation and damage. Some patients with SLE also have lupus nephritis which is a disease affecting the kidneys. Approximately 204,000 and 3 million people in U.S. and globally, respectively have SLE. Various autoantibodies are associated with SLE.

Treatment options for SLE focus on managing symptoms and preventing flares, as there is currently no cure for the disease. Patients may be prescribed nonsteroidal anti-inflammatory drugs for pain relief, corticosteroids to reduce inflammation, and immunosuppressive medications to decrease immune system activity. Antimalarial drugs, such as hydroxychloroquine, are also commonly used to manage skin and joint symptoms. GAZYVA® (obinutuzumab), a CD20 mAb, has shown clinical efficacy in patients with SLE and an ongoing clinical trial of LUNSUMIO® (mosunetuzumab), a CD20 TCE, in SLE is underway. B-cell depletion with CAR-T and TCE have also shown clinical response in patients with SLE who have failed multiple lines of therapy.

Cizutamig healthy volunteer study for evaluation of subcutaneous formulation

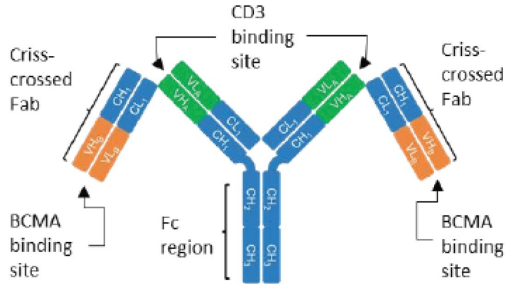
Clinical data in patients to date have been with cizutamig administered intravenously. We have developed a subcutaneous formulation of cizutamig and are currently evaluating its safety, tolerability, and pharmacokinetics in a Phase 1 healthy volunteer study in Australia. As of February 2, 2026, 16 healthy volunteers have been dosed, comparing intravenous to subcutaneous dosing. Preliminary data indicate that the subcutaneous formulation has been well tolerated to date, with no CRS or serious adverse events reported.

We expect to complete the healthy volunteer study in the first half of 2026. Subject to favorable results from this study and regulatory approval, we plan to begin evaluation of the subcutaneous formulation of cizutamig in patients with autoimmune disease in the second half of 2026. The subcutaneous formulation, if successful, may offer potential advantages in terms of patient convenience, treatment adherence, and broader clinical applicability compared to intravenous administration.

Cizutamig antibody design and pre-clinical data

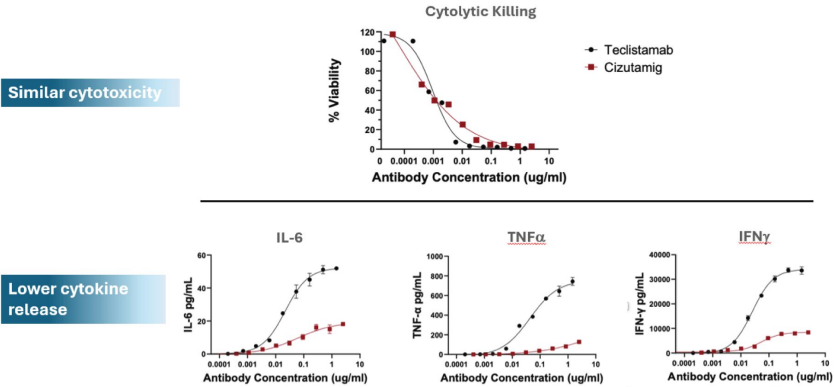
Cizutamig was purposefully designed to have high affinity binding to BCMA and lower affinity binding to CD3, with each antibody molecule capable of binding two BCMA proteins and two CD3 proteins. Several published studies have shown that cytokine release due to CD3 binding can be reduced with lower CD3 affinity while preserving target cell killing by T-cells. The Fc portion of cizutamig is a human IgG1 sequence with specific mutations introduced to inhibit Fc binding to both FcγRs and complement component C1q, to enable reduction of antibody-dependent cellular cytotoxicity ("ADCC") and complement-dependent cytotoxicity ("CDC").

Figure 12: Structure of cizutamig showing two binding sites for BCMA on B-cells and two binding sites for CD3 on T-cells



In vitro studies were performed in cell-based assays comparing cizutamig to teclistamab, or Tecvayli®. In these studies, cizutamig showed comparable cytotoxicity to teclistamab while also demonstrating lower cytokine release both in terms of maximal levels as well as potency.

Figure 13: In vitro data showing improved therapeutic index of cizutamig as compared to teclistamab



Further pre-clinical characterization was conducted in NHP studies and showed that cizutamig dosing led to B-cell depletion as well as IgG, IgA, and IgM antibody reductions.

Completed Phase 1 clinical trial in patients with MM

Prior to licensing cizutamig from EpimAb Biotherapeutics, EpimAb Biotherapeutics completed a Phase 1 clinical trial in patients with refractory MM in China and Australia. Clinical data as of the September 23, 2024 final data cut-off are summarized below. The median patient age was 65 years old with patients having had a median of 3 prior lines of therapy (range 2 to 6) and 55% having had prior transplantation. Cizutamig was administered once weekly by intravenous infusion, with flat dose levels ranging from 0.2 to 300 mg. Step-up dosing was applied to all dose levels of 2 mg and above prior to the first dosing cycle. A total of 40 patients had received at least 1 dose of cizutamig.

The objective response rate (“ORR”) for the 40 patients treated across all cizutamig doses was 38%. Of the 18 evaluable patients who received 60 mg and above, the ORR was 67%, and in the 13 evaluable patients who received 60 mg to 200 mg, the ORR was 62%.

CRS of any grade was observed in 25% of all patients treated, with Grade 1 and Grade 2 observed in 17.5 % and 7.5 %, respectively. No cases of Grade 3 or higher CRS were observed. For the 13 patients who received 60 mg to 200 mg, CRS of any grade was seen in 31% with 8% being Grade 2. All of the CRS events in this subgroup were at the 200 mg dose as no CRS occurred in patients receiving 60 mg or 120 mg. No cases of ICANS were reported of all patients treated. Treatment-related serious adverse events of 5% incidence or higher were pneumonia and CRS, which were seen in 10% and 7.5% of patients, respectively. There were 4 treatment emergent deaths, but none were considered to be treatment related. We do not plan to further develop cizutamig for MM.

CND261 – A bispecific TCE antibody targeting CD20-expressing B-cells and CD3-expressing T Cells

Overview

CND261 is a bispecific TCE antibody designed to deplete CD20 expressing B-cells, while minimizing the release of cytokines. CD20 targeting with approved mAbs such as Rituxan® and GAZYVA® have already demonstrated clinical efficacy and commercial adoption in multiple autoimmune diseases. We believe the addition of a CD3 binding effector function can lead to deeper B-cell depletion and in turn potentially demonstrate superior clinical outcomes for patients.

Deep B-cell depletion in tissues supportive of immune reset profile

We obtained lymph node biopsy data from four autoimmune patients treated with CND261 providing preliminary evidence of tissue B-cell depletion as determined by IHC. In two patients with RA, post-treatment lymph node

biopsies were obtained without available baseline comparators. In the first RA patient, a biopsy obtained at 8 weeks—the only biopsy available for this patient—showed no evidence of B-cell reduction in the lymph nodes. Serum analysis showed anti-drug antibody (“ADA”) formation with confirmed lowering of drug exposure which we believe was likely a main contributing factor to lack of B-cell depletion. In the second RA patient, a biopsy at 6 weeks demonstrated full depletion of both CD19+ and CD20+ B-cells. In two SLE patients, lymph node biopsies at 4 weeks showed 100% depletion of CD20+ B-cells in both cases, with some residual CD19+ B-cells remaining, consistent with the selectivity of CD20-targeted depletion of CND261.

While these data are preliminary and based on a small number of patients without paired baseline biopsies in the RA cohort, the findings provide early directional evidence that CND261 can achieve meaningful tissue B-cell depletion in some patients. The ADA observation in one RA patient highlights the importance of ongoing pharmacokinetic and immunogenicity monitoring and the potential need for exploration of dosing strategies to mitigate ADA formation and any negative effects.

Safety profile of CND261 in patients with autoimmune disease

As of February 2, 2026, 26 autoimmune patients have been treated with CND261 across IND-enables studies, IITs, and compassionate use. CND261 has demonstrated a favorable tolerability profile with CRS observed in 19% of patients, all of which were Grade 1. No Grade 2 or higher CRS events were reported, and no cases of ICANS were observed in any patient treated with CND261.

When combined with the pharmacodynamic biopsy findings described above, the emerging profile of CND261—deep tissue CD20+ B-cell depletion with CRS limited to low-grade and no ICANS—is encouraging for continued development in autoimmune indications. These data are early and based on a limited patient population, and a more complete characterization of the clinical profile will emerge as the program advances.

Evaluation of CND261 in patients with autoimmune disease

We are evaluating CND261 in a Phase 1 dose escalation study in patients with refractory RA and a dose escalation IIT in patients with SLE. CND261 has also been provided for compassionate use in patients with ANCA vasculitis and RA.

Completed Phase 1 clinical trial in patients with lymphoma

Prior to licensing CND261 from Genor BioPharma, Genor BioPharma completed a Phase 1 clinical trial in patients with refractory lymphoma in China and Australia. Clinical data as of the January 30, 2024 final data cut-off is summarized below. The median patient age was 60 years old with patients having had a median of 3 prior lines of therapy (range 1 to 10) and 99% having had prior treatment with rituximab. CND261 was administered by intravenous infusion once weekly for up to the first two cycles followed by every three weeks at flat dose levels of 1, 3, 10, 30, 50, 100, 200 and 300 mg. Step-up dosing was applied to 30 mg doses and above for the first dosing cycle. A total of 93 non-Hodgkins lymphoma (“NHL”) patients had received at least 1 dose of CND261.

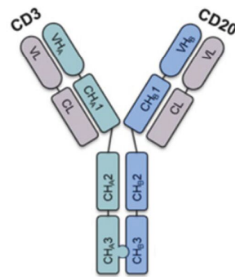
NHL patients with both follicular lymphoma (“FL”) and diffuse large B-cell lymphoma (“DLBCL”) were enrolled. Of the 51 efficacy evaluable DLBCL patients, doses of 3 to 300 mg were administered with an observed ORR of 51%. Of the 20 efficacy evaluable FL patients, doses of 10 to 300 mg were administered with an observed ORR of 90%.

CRS of any grade was noted in 19.4% of the 93 patients who had received at least 1 dose, with 12.9% Grade 1, 5.4% Grade 2, and 1.1% Grade 5. The single case of Grade 5 CRS occurred in a patient receiving 300 mg of CND261 who was diagnosed late and discharged prematurely from the clinical trial site without appropriate treatment. For DLBCL, there were 60 patients who had received 200 mg of CND261 or less. Among these patients, CRS of any grade was observed in 19% of patients, with 2% being Grade 2 or higher. No cases of ICANS were reported of all patients treated. Treatment related serious adverse events of 5% incidence or higher was pneumonia which was seen in 6.5% of patients. There were 6 treatment emergent deaths of which 2 were deemed to be treatment related due to one case of Grade 5 CRS for a patient receiving 300 mg of CND261 and one case of pneumonia co-infected with multiple viruses. We do not plan to further develop CND261 for lymphoma.

CND261 Ab design and pre-clinical data

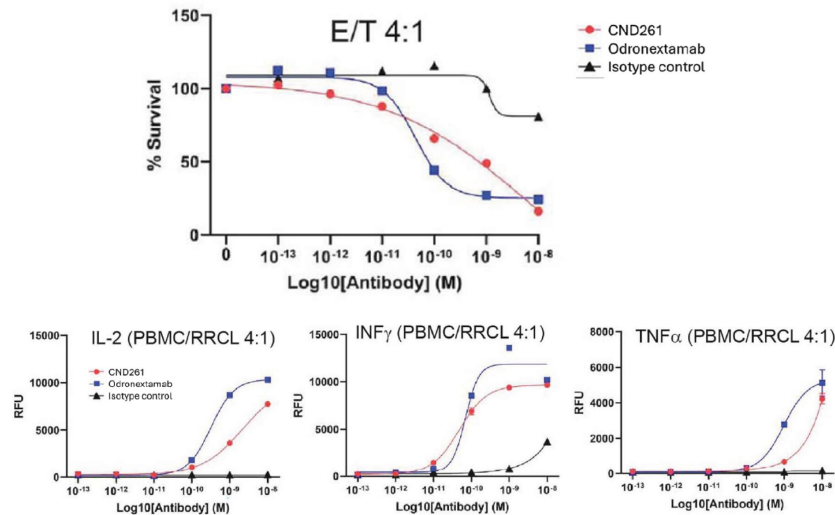
CND261 is a bispecific TCE antibody that binds to CD20 on B-cells and CD3 on T-cells. CND261 has been engineered to have tight binding to one CD20 protein and lower affinity binding to one CD3 protein. The effector portion of the Fc region has been kept intact which allows for ADCC as well as CDC mechanisms for cytotoxicity.

Figure 14: Structure of CND261 showing one binding site each for CD20 and CD3



In vitro studies were performed in cell-based assays comparing CND261 to odronextamab, a CD20 TCE that has progressed through Phase 3 clinical trials for oncology indications. In these studies, CND261 showed comparable cytotoxicity to odronextamab while also demonstrating lower cytokine release both in terms of maximal levels as well as potency.

Figure 15: In vitro data showing improved therapeutic index of CND261 as compared to odronextamab



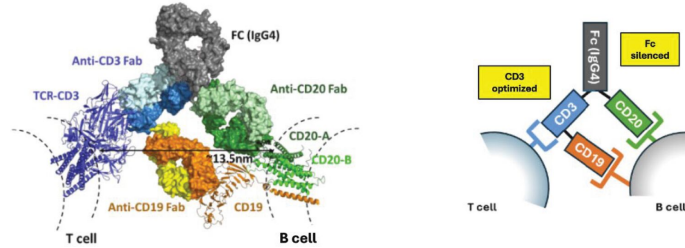
Given the limited cross reactivity of CND261 to NHP CD3, assessment of B-cell depletion in NHP cannot be reliably assessed.

CND319 – A trispecific TCE Antibody Targeting CD19 or CD20-expressing B-cells and CD3-expressing T Cells

CND319 is a trispecific TCE that can bind to CD19 or CD20 on B-cells. By targeting both CD19 and CD20, CND319 increases the likelihood of engaging heterogeneous pathogenic B-cell populations compared with single-target approaches. The optimized architecture positions CD19 and CD20 binding domains on the B-cell side and a tuned CD3 binding domain on the T-cell side to promote stable immune synapse formation and T-cell-mediated cytotoxicity. An Fc-silenced IgG4 backbone and a CD3 domain with fast on/fast off kinetics are designed to preserve

cytotoxic activity while limiting excessive T-cell activation and cytokine release, supporting a differentiated therapeutic approach for antibody-mediated autoimmune indications.

Figure 16: Structure of CND319 showing the binding to CD19, CD20 and CD3

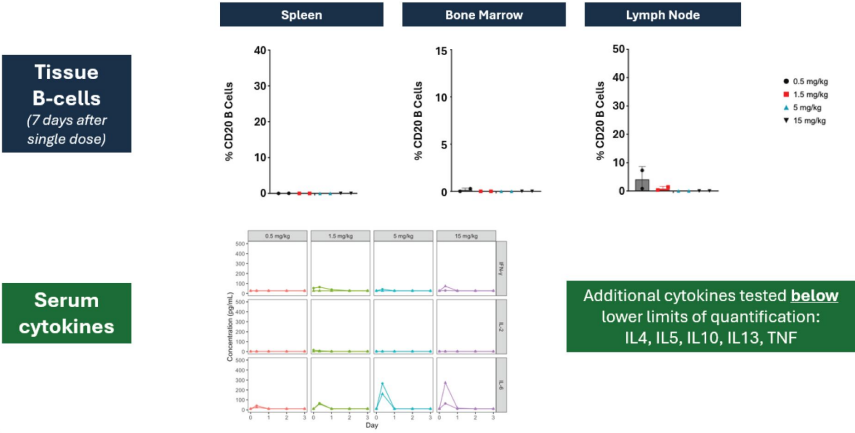


CND319 has demonstrated potent and selective B-cell depletion in preclinical studies. In tissue distribution studies conducted in NHPs, a single dose of CND319 resulted in near-complete depletion of CD20-positive B-cells in the spleen, bone marrow, and lymph nodes seven days post-administration. B-cell depletion was observed across all tested dose levels (0.5 mg/kg, 1.5 mg/kg, 5 mg/kg, and 15 mg/kg), with depletion exceeding 95% in target tissues at doses of 1.5 mg/kg and higher.

Additionally, CND319 demonstrated a favorable safety profile in these preclinical studies. Serum cytokine analysis conducted across the dose range showed minimal cytokine release, with levels of key inflammatory cytokines including IL-4, IL-5, IL-10, IL-13, and TNF remaining below the lower limits of quantification across all dose groups and time points evaluated. This lack of significant cytokine elevation suggests that CND319 may have the potential for minimal CRS in clinical development.

These preclinical findings support the continued development of CND319 as a potentially differentiated B-cell depleting therapy with potent efficacy combined with an improved safety profile. The demonstration of robust B-cell depletion without significant cytokine release in NHPs provides important proof-of-concept data as we advance CND319 toward clinical evaluation.

Figure 17: CND319 shows deep B-cell depletion and low cytokine release in NHPs



We are currently conducting IND-enabling activities for CND319, including CMC development, as well as required nonclinical studies to support initial clinical evaluation. These efforts are focused on establishing a scalable manufacturing process and generating the data necessary to support regulatory submissions. Subject to completion of these activities and regulatory clearance, we plan to initiate a Phase 1 first-in-human clinical study in the middle of 2026 to evaluate the safety, tolerability, and pharmacologic profile of CND319.

CND460 – A trispecific TCE Antibody Targeting BCMA or CD19 expressing B-cells and CD3 expressing T cells

CND460 is a trispecific TCE antibody designed to bind to BCMA and/or CD19 on B-cells or plasma cells, and CD3 on T cells. This dual-target strategy can address a potential limitation of CD19 or CD20-targeted therapies, which deplete B-cells but leave long-lived plasma cells intact which can continue autoantibody production. By achieving redundant and deep B-cells and plasma cells in a single molecule, CND460 has the potential to achieve more profound and durable disease control. CND460 is currently undergoing IND-enabling studies with first-in-human trials planned for first half of 2027.

Clinical Development Strategy and Disease Prioritization

Since our inception, Candid has pursued an innovative and comprehensive regulatory strategy designed to accelerate clinical development while generating robust safety and efficacy data across multiple geographies and patient populations. Our approach has been to leverage all available regulatory pathways to rapidly advance our product candidates and address significant unmet medical needs in autoimmune diseases.

To execute this strategy, we are leveraging our global clinical infrastructure to conduct trials across multiple indications in parallel, enabling us to generate data more efficiently and inform development decisions across our portfolio on an expedited timeline. We established a clinical team in China to access the country's deep clinical expertise and large, concentrated patient populations with limited treatment options. Through this presence, we have successfully generated clinical data in multiple patients utilizing both the IND and IIT pathway in China. These pathways have enabled us to conduct clinical studies efficiently while building important relationships with leading physicians and clinical researchers in the region.

In parallel, we have provided our drug candidates as part of compassionate use under NPU in Europe to treat patients with highly refractory autoimmune diseases who had exhausted available therapeutic options. This approach has allowed us to gather critical real-world evidence in severely ill patient populations while providing potential therapeutic benefit to individuals with few or no remaining treatment alternatives. The compassionate use experience has been particularly valuable in informing our understanding of the clinical profile for cizutamig and CND261 in advanced disease settings.

Through these multi-jurisdictional regulatory approaches, we have rapidly generated clinical data for both cizutamig and CND261 across various dose levels and administration schedules. Our clinical experience to date has provided us with important insights into optimal dosing strategies for cizutamig, including appropriate immune reset doses to achieve sustained therapeutic effect while maintaining favorable tolerability. As of February 2, 2026, we have established a safety database comprising 47 patients treated with cizutamig and 26 patients with CND261 across various autoimmune indications, which we believe represents one of the most comprehensive datasets for TCEs in autoimmune disease. Additionally, we have dosed 16 healthy volunteers in Australia with our subcutaneous formulation of cizutamig, expanding our understanding of alternative delivery methods.

We believe this diversified regulatory strategy has provided Candid with several important advantages, including accelerated clinical timelines, a robust and geographically diverse safety database, access to diverse patient populations and disease presentations, and valuable dose-finding and optimization data that will inform our future pivotal trials. As we advance toward later-stage clinical development, we intend to continue leveraging appropriate regulatory pathways in multiple jurisdictions while pursuing traditional regulatory approval routes in major markets including the United States and Europe. Our regulatory strategy is designed to maximize the speed and efficiency of our clinical programs while maintaining the highest standards of patient safety and data quality necessary for regulatory approval.

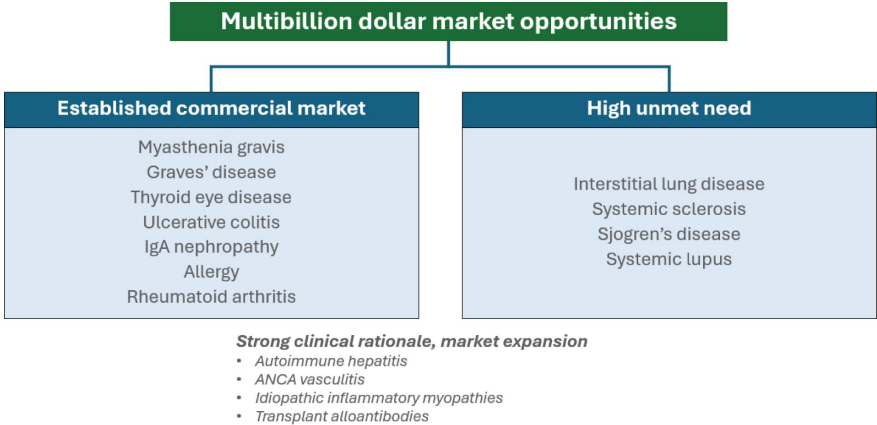
Disease indications of interest

Our clinical development strategy is focused on pursuing cizutamig and our other TCE drug candidates in autoimmune diseases that represent multibillion-dollar market opportunities. We are targeting two categories of indications: established commercial markets with validated therapeutic need, and high unmet need indications where current treatment options are inadequate or nonexistent.

In the established commercial market category, we are pursuing or planning to pursue clinical development in gMG, TED, Graves' disease, ulcerative colitis, IgAN, IgE-mediated allergy, and RA. These indications represent large, validated markets with existing approved therapies, but where significant unmet medical needs persist, including patients who are refractory to current treatment options, those who experience intolerable side effects, or those requiring more convenient administration or improved efficacy. The collective market opportunity for therapies in these established indications represents billions of dollars in annual global sales.

In the high unmet need category, we are focusing on indications where current treatment options are severely limited or where no approved therapies exist. These include ILD, SSc, Sjögren's disease, and SLE. Additionally, we see clinical rationale and market expansion opportunities in autoimmune hepatitis, ANCA vasculitis, idiopathic inflammatory myopathies, and transplant alloantibodies. These indications are characterized by serious, progressive, and often life-threatening disease courses, with many patients experiencing inadequate responses to available immunosuppressive therapies or suffering significant treatment-related adverse events.

Figure 18: Current autoimmune diseases of interest for Candid's clinical development of TCEs



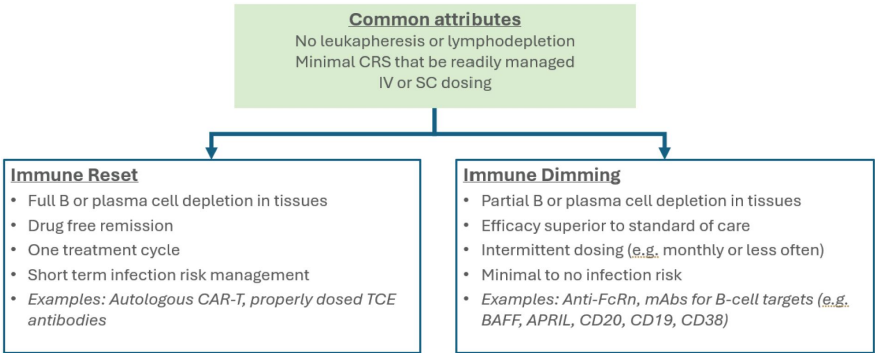
We believe that TCEs can become the next major drug class to treat autoimmune diseases and that clinical data will guide the most appropriate indications in which B-cell depletion can have the most significant impact. Our strategy of pursuing both established markets and high unmet need indications is designed to maximize the commercial potential of our product candidates while addressing the most serious unmet medical needs in autoimmune disease. The breadth of our target indications reflects the central role that plasma cells and autoantibodies play in autoimmune disease pathogenesis and the potential applicability of cizutamig's unique mechanism across a wide range of antibody-mediated autoimmune conditions.

Target Product Profile for TCEs—Immune Reset and Immune Dimming

We see an opportunity for our programs to be developed with different target product profiles ("TPPs") which are not mutually exclusive. At the core of each TPP, is the depth of desired B-cell depletion, which we believe correlates to depth and durability of clinical benefit as well as the need for interim management of increased infection risk due to

immunosuppression. We believe TCEs have now shown the same level of deep B-cell depletion and clinical response seen with CAR-T in autoimmune patients. We refer to this TPP as an “immune reset”. The goal with immune reset is to provide one cycle of therapy for durable benefit lasting years. As the immune system is resetting, prophylaxis with intravenous immunoglobulins and antibiotics to prevent serious infections is likely needed. In contrast to “immune reset”, one can also target partial B-cell depletion with the aim of demonstrating clinical improvement over existing standard of care in autoimmune diseases. We refer to this TPP as “immune dimming”. As only partial B-cell depletion is targeted, underlying pre-existing immunity could be preserved resulting in minimal to no infection risk. With immune dimming, we expect intermittent dosing of TCEs is needed to maintain clinical benefit. With cizutamig, Candid’s lead program, we have dosed patients with both immune reset and immune dimming dosing regimens and observed initial promising clinical results to continue further studies.

Figure 19: Potential to Pursue Both Immune Reset and Immune Dimming with TCEs



Discovery Programs

We have ongoing discovery effort to identify novel TCEs which can address various immunology and inflammatory diseases. We are collaborating with several research partners to leverage their antibody engineering and other discovery expertise.

Manufacturing and Supply

We do not own or operate, and currently have no plans to establish, any manufacturing facilities. We rely on third-party contract development and manufacturing organizations (“CDMOs”) for the supply of our drug candidates for use in our preclinical studies and clinical trials. We have made significant investments in CMC activities to support the development of our product candidates and to establish robust, scalable manufacturing processes.

We have engaged multiple third-party CDMOs for biologics development and manufacturing services and are continuously evaluating additional CDMOs to further diversify and strengthen our supply chain. This multi-sourcing strategy is designed to mitigate supply chain risk and deliver continuity of drug supply as our programs advance through clinical development. We expect to have sufficient drug supply for our product candidates to conduct our planned clinical trials.

A key component of our CMC investment has been the development of subcutaneous formulations for our lead product candidates. We have successfully developed subcutaneous formulations for cizutamig, CND261, and CND319. We plan to incorporate subcutaneous formulations into our clinical development programs for our product candidates as data from ongoing studies become available.

Our CMC development efforts have focused on establishing robust, scalable manufacturing processes that can support both clinical development and potential commercial production. This includes optimization of cell line

development, upstream and downstream processing, formulation development, and analytical methods to deliver product quality, consistency, and stability. We have invested in process characterization and comparability studies to support manufacturing transfers between CDMOs and to enable regulatory filings.

If any of our drug candidates receives marketing approval, we intend to rely on third-party CDMOs for commercial manufacturing. As our drug candidates advance through development, we expect to enter into longer-term commercial supply agreements to fulfill and secure our production needs. We will seek to establish relationships with multiple qualified manufacturers to provide redundancy and supply chain resilience for commercial production. Our manufacturing strategy is designed to deliver adequate supply to meet anticipated commercial demand while maintaining flexibility to respond to market dynamics and potential supply chain disruptions.

Sales and Marketing

Given our stage of development, we have not yet established a commercial organization or distribution capabilities. We intend to build a commercial infrastructure to support sales of any of our approved future drugs. We expect to manage sales, marketing and distribution through internal resources and third-party relationships. In addition, we plan to opportunistically explore commercialization partnerships, particularly with entities that have strong capabilities in geographies outside the United States. As our current and future drug candidates progress through clinical development, our commercial plans may change. Clinical data, the size of the development programs, the size of our target markets, the size of the requisite commercial infrastructure and manufacturing needs may all influence our commercialization strategies.

Competition

The biotechnology and pharmaceutical industries are characterized by the rapid evolution of technologies and understanding of disease etiology, intense competition and a strong emphasis on intellectual property. We face substantial competition from many different sources, including major pharmaceutical, specialty pharmaceutical and biotechnology companies, academic research institutions and governmental agencies and public and private research institutions.

Our competition for B-cell depletion includes mAbs, bispecifics which include TCEs, IgG degraders, and various forms of cell therapy from several pharmaceutical and biotechnology companies, including AbbVie Inc., Amgen, Argenx, Artiva Biotherapeutics, Inc., Biohaven Ltd., Bristol-Myers Squibb Company, Cabaletta Bio, Inc., Cartesian Therapeutics, Inc., Cullinan Therapeutics, Inc., Fate Therapeutics, Inc., GSK plc, Immunovant, Inc., Johnson & Johnson, Kyverna Therapeutics, Inc., Merck & Co., Inc., Otsuka Pharmaceutical, Pfizer, Inc., Roche Holding AG, among others.

Many of our current or potential competitors, either alone or with their collaboration partners, have significantly greater financial resources and expertise in research and development, manufacturing, preclinical testing, conducting clinical trials, obtaining regulatory approvals and marketing approved products than we do. Mergers and acquisitions in the pharmaceutical and biotechnology industries may result in even more resources being concentrated among a smaller number of our competitors. Smaller or early-stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies. These competitors also compete with us in recruiting and retaining qualified scientific and management personnel and establishing clinical trial sites and patient enrollment in clinical trials, as well as in acquiring technologies complementary to, or necessary for, our programs.

We could see a reduction or elimination in our commercial opportunity if our competitors develop and commercialize drugs that are safer, more effective, have fewer or less severe side effects, are more convenient to administer, are less expensive or with a more favorable label than our drug candidates. Our competitors also may obtain FDA or other regulatory approval for their drugs more rapidly than we may obtain approval for ours, which could result in our competitors establishing a strong market position before we are able to enter the market. The key competitive factors affecting the success of all of our drug candidates, if approved, are likely to be efficacy, safety, convenience, price, availability of the relevant isotope, the effectiveness of imaging diagnostics, the level of generic competition and the availability of reimbursement from government and other third-party payors.

Intellectual Property

We strive to protect and enhance the proprietary technology, inventions and improvements that are commercially important to our business, including seeking, maintaining and defending patent rights, whether developed internally or licensed from third parties. Our intellectual property strategy includes seeking to protect our proprietary position by, amongst other methods, striving to obtain issued patents by filing and prosecuting patent applications in the United States and in jurisdictions outside of the United States, directed to our proprietary technology, inventions, improvements, and drug candidates that are important to the development and implementation of our business. We also rely on trade secrets and know-how relating to our proprietary technology and drug candidates, continued innovation, and in-licensing opportunities to develop, strengthen and maintain our proprietary position in the field of immunotherapy. We also plan to rely on data exclusivity, market exclusivity and patent term extensions when available. Our commercial success will depend in part on our ability to obtain and maintain patent and other proprietary protection for our technology, inventions and improvements; to preserve the confidentiality of our trade secrets and know-how; to obtain and maintain licenses to use intellectual property owned by third parties; to defend and enforce our proprietary rights, including any patents that we may own in the future; and to operate without infringing on the valid and enforceable patents and other proprietary rights of third parties.

As of February 26, 2026, we own one U.S. provisional patent application that discloses treatment of certain indications by cizutamig and one U.S. provisional patent application that discloses cizutamig dosing strategies. We have exclusively in-licensed 12 foreign patent applications that disclose cizutamig sequences and have non-exclusively in-licensed one U.S. non-provisional patent application, ten foreign patent applications, and two foreign patents that disclose cizutamig anti-CD3 antibody sequences, and two U.S. patents, two foreign patent applications, and 23 foreign patents that disclose cizutamig antibody formats. All of the exclusively and non-exclusively in-licensed patents and patent applications related to cizutamig are licensed from EpimAb Biotherapeutics, Inc. and are licensed worldwide except for China, Taiwan, Hong Kong, and Macau. Absent any patent term extension, patent term adjustments, and terminal disclaimers, the Candid-owned and EpimAb in-licensed patents and patents that issue from these pending applications are expected to expire between 2034 and 2047. We own one U.S. provisional patent application, one pending patent application filed under the Patent Cooperation Treaty ("PCT"), and two foreign patent applications that disclose treatment of certain indications by CND261. We have exclusively in-licensed one U.S. non-provisional patent application, two U.S. patents, one foreign patent application, four foreign patents that disclose CND261 sequences, and one PCT patent application and one U.S. provisional patent application that disclose CND261 sequences and formulations, and one U.S. non-provisional patent application and one foreign patent application that disclose heterodimerization mutations used in CND261, and one U.S. patent and one foreign patent application that disclose CND261 back up sequences. All of the in-licensed patents and patent applications related to CND261 are licensed from Genor Biopharma Co. Ltd and are licensed worldwide except for China, Taiwan, Hong Kong, and Macau. Absent any patent term extension, patent term adjustments, and terminal disclaimers, the Candid-owned and Genor in-licensed patents and patents that issue from these pending applications are expected to expire between 2038 and 2045. We own one U.S. provisional patent application, one PCT patent application, and two foreign patent applications that disclose treatment of certain indications by CND319. We have exclusively in-licensed one PCT patent application, and two foreign patent applications that disclose CND319 sequences, and one PCT patent application that discloses treatment of certain indications by CND319. We have non-exclusively in-licensed two U.S. non-provisional patent applications, one U.S. patent, one PCT patent application, 30 foreign patent applications, and 13 foreign patents that disclose antibody formats and platform sequences used in CND319, and one U.S. non-provisional patent application, three U.S. patents, 15 foreign patent applications, and 15 foreign patents that disclose CND319 anti-CD3 antibody sequences, and one U.S. patent, 12 foreign patent applications, and 12 foreign patents that disclose CND319 anti-CD19 antibody sequences. All of the in-licensed patents and patent applications related to CND319 are licensed from WuXi Biologics together with its Affiliates and are licensed worldwide. Absent any patent term extension, patent term adjustments, and terminal disclaimers, the Candid-owned and WuXi Biologics in-licensed patents and patents that issue from these pending applications are expected to expire between 2038 and 2046. In addition, we own, two PCT patent applications and two U.S. provisional patent applications that disclose aspects of our technology related to other antibody compositions and methods. Absent any patent term extension, patent term adjustments, and terminal disclaimers, patents that issue from these pending applications are expected to expire in 2046.

With respect to our drug candidates and processes, we intend to develop and commercialize in the normal course of business, and we intend to pursue patent protection directed to, when possible, compositions, methods of use, methods of making, dosing and formulations. We may also pursue patent protection with respect to manufacturing, therapeutic development processes and technologies, and therapeutic delivery technologies.

Issued patents can provide protection for varying periods of time, depending upon the date of filing of the patent application, the date of patent issuance and the legal term of patents in the countries in which they are obtained. In general, patents issued for applications filed in the United States can provide exclusionary rights for 20 years from the earliest effective filing date excluding U.S. provisional applications. In addition, in certain instances, the term of an issued U.S. patent that is directed to or claims an FDA approved product can be extended to recapture a portion of the term effectively lost as a result of the FDA regulatory review period, which is called patent term extension. The restoration period cannot be longer than five years and the total patent term, including the restoration period, must not exceed 14 years following FDA approval. The term of patents outside of the United States varies in accordance with the laws of the foreign jurisdiction but typically is also 20 years from the earliest effective filing date excluding U.S. provisional applications. However, the actual protection afforded by a patent varies on a product-by-product basis, from country-to-country and depends upon many factors, including the type of patent, the scope of its claims, the availability of regulatory-related extensions, the availability of legal remedies in a particular country, and the validity and enforceability of the patent.

The patent positions of companies like ours are generally uncertain and involve complex legal and factual questions. No consistent policy regarding the scope of claims allowable in patents in the field of immunotherapy has emerged in the United States. The relevant patent laws and their interpretation outside of the United States are also uncertain. Changes in either the patent laws or their interpretation in the United States and other countries may diminish our ability to protect our technology or drug candidates and enforce the patent rights that we have licensed or may license 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 our intellectual property will depend in part on our success in obtaining and enforcing patent claims that cover our technology, inventions and improvements. With respect to company-owned or licensed intellectual property that we currently have or may have in the future, we cannot guarantee that patents will be granted with respect to any of our pending patent applications or with respect to any patent applications we or our licensors may file 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. Moreover, even the issued patents that we license do not guarantee us the right to practice our technology in relation to the commercialization of our products. 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 drug candidates and practicing our proprietary technology, and the issued patents that we in-license or may in-license and those that may issue in the future 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 drug candidates. In addition, the scope of the rights granted under any issued patents may not provide us with protection or competitive advantages against competitors with similar technology. Furthermore, our competitors may independently develop similar technologies that are outside the scope of the rights granted under any issued patents that we may own or that we exclusively in-license. For these reasons, we may face competition with respect to our drug 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 drug candidate can be commercialized, any patent protection for such product may expire or remain in force for only a short period following commercialization, thereby reducing the commercial advantage the patent provides. A comprehensive discussion on risks relating to our intellectual property is provided under the section of this proxy statement/prospectus titled “*Risk Factors—Risks Related to Candid—Risks Related to Candid’s Intellectual Property.*”

License and Collaboration Agreements

License and Collaboration Agreement with Shanghai EpimAb Biotherapeutics Co., Ltd.

In August 2024, we entered into a license and collaboration agreement (the “EpimAb License Agreement”) with Shanghai EpimAb Biotherapeutics Co., Ltd. (“EpimAb”).

Under the EpimAb License Agreement, we received a royalty-bearing, sublicensable license, under certain know-how and patent rights controlled by EpimAb relating to BCMA/CD3 bispecific antibodies, to research, develop, manufacture, use, sell, offer for sale, import and otherwise commercialize cizutamig and certain derivatives of cizutamig that are also BCMA/CD3 bispecific antibodies, and products containing cizutamig or such derivatives ("CND106 Licensed Products") everywhere in the world except for Greater China (which includes Hong Kong, Macau and Taiwan) (the "Cizutamig Licensed Territory") for the diagnosis, treatment or prevention of all human and non-human diseases (the "Cizutamig Field"). Our license is exclusive with respect to certain licensed patents and claims of certain other licensed patents that specifically cover any BCMA/CD3 bispecific antibody as a whole or that cover certain binding sequences and licensed know-how that is related to such licensed patents or licensed patent claims; it is non-exclusive with respect to all other licensed patent claims and licensed know-how. We also have a non-exclusive license from EpimAb (a) to manufacture cizutamig and Cizutamig Licensed Products in Greater China (including Hong Kong, Macau and Taiwan) (the "EpimAb Territory") solely for use in the Cizutamig Licensed Territory and (b) to research and develop CND106 Licensed Products in the CND106 Field in the EpimAb Territory solely for the purpose of obtaining regulatory approval of CND106 Licensed Products in the Cizutamig Licensed Territory.

We are responsible, at our cost, for the development, manufacture and commercialization of CND106 Licensed Products in the CND106 Field in the CND106 Licensed Territory. We are obligated to use commercially reasonable efforts to develop at least one CND106 Licensed Product in the CND106 Field in the CND106 Licensed Territory; provided, however, that this obligation will expire upon achievement of a certain development milestone, or upon our election to make a certain milestone payment early.

EpimAb received total upfront cash consideration of \$30.0 million under the EpimAb License Agreement. In addition, we also issued to EpimAb's parent company and its shareholders a total of 30.0 million shares of our Series A-1 convertible preferred stock. We are obligated to pay EpimAb up to \$95.0 million in development and regulatory milestone payments, up to \$480.0 million in commercial milestone payments and tiered single-digit royalties on net sales of CND106 Licensed Products. The royalty payments are subject to reduction under certain customary circumstances. On a CND106 Licensed Product-by-Cizutamig Licensed Product and country-by-country basis, our obligation to pay EpimAb royalties commences on the first commercial sale of such CND106 Licensed Product in the applicable country until the latest to occur of (a) the last-to-expire valid claim within the licensed patents covering such CND106 Licensed Product in the applicable country, (b) the expiration of the last-to-expire regulatory exclusivity for such CND106 Licensed Product in the applicable country and (c) 12 years after the first commercial sale of such CND106 Licensed Product in the applicable country.

The EpimAb License Agreement will remain in effect on a Cizutamig Licensed Product-by-CND106 Licensed Product and country-by-country basis until expiration of all royalty payment obligations, unless it is earlier terminated. Following expiration of the EpimAb License Agreement, the licenses granted to us become non-exclusive, perpetual, irrevocable and fully paid-up. We may terminate the EpimAb License Agreement for convenience upon advance written notice to EpimAb. Either party may terminate the EpimAb License Agreement for the other party's uncured material breach; provided, however, that this termination right will not be available to either party after achievement of a certain development milestone, or upon our election to make a certain milestone payment early. Either party may terminate the EpimAb License Agreement in connection with the insolvency of the other party. EpimAb may terminate the EpimAb License Agreement if we challenge a licensed patent, subject to a specified notice and cure period. Upon termination of the EpimAb License Agreement, we are subject to certain post-termination obligations to enable EpimAb to be able to exploit Cizutamig Licensed Products in the Cizutamig Field on a worldwide basis.

License Agreement with Genor Biopharma Co. Ltd.

We entered into a license agreement with Genor Biopharma Co. Ltd. ("Genor") in August 2024 and an amendment to this agreement in March 2025 (the "Genor License Agreement").

Under the Genor License Agreement, we received an exclusive, royalty-bearing, sublicensable license under certain know-how and patent rights controlled by Genor (including certain intellectual property in-licensed by Genor) relating to bispecific antibodies and heteromultimeric proteins ("Licensed IP") to develop, use, manufacture, commercialize and otherwise exploit CND261 (formerly known as GB261), certain derivatives of CND261 that are also CD20xCD3 bispecific antibodies, and products containing CND261 or such derivatives ("CND261 Licensed Products")

everywhere in the world except for Mainland China, Hong Kong, Macau and Taiwan (the "CND261 Licensed Territory") for the diagnosis, treatment or prevention of disease in humans and animals (the "CND261 Field"). We also received a non-exclusive, sublicensable license under the Licensed IP in Mainland China, Hong Kong, Macau and Taiwan (the "Genor Territory") to manufacture CND261 Licensed Products in the Genor Territory and to conduct non-clinical and certain clinical development of CND261 Licensed Products in the Genor Territory in the CND261 Field, solely for the purposes of supporting exploitation of CND261 Licensed Products in the CND261 Field in the CND261 Licensed Territory. In addition, we have a right of first negotiation if Genor decides to commence negotiations with one or more third parties to grant a license to develop, use, manufacture, commercialize or otherwise exploit CND261 Licensed Products in the CND261 Field in the Genor Territory.

We are responsible, at our cost, for the development, manufacture and commercialization of CND261 Licensed Products in the CND261 Field in the CND261 Licensed Territory. We are obligated to use commercially reasonable efforts to develop and obtain regulatory approval for at least one CND261 Licensed Product in the CND261 Field in the United States and in at least one of Canada, the United Kingdom, France, Germany, Spain or Italy ("Major Market Countries"). We are also obligated to use commercially reasonable efforts to commercialize at least one CND261 Licensed Product in the United States or any Major Market Country in which regulatory approval has been obtained for such product. We are also obligated to use commercially reasonable efforts to conduct IIT(s) and Phase I clinical trial(s) of a CND261 Licensed Product in the Genor Territory for the indication of autoimmune and inflammatory diseases.

Genor received total upfront cash consideration of \$16.0 million and received an additional \$4.5 million and \$2.0 million upon the achievement of milestones specified in and pursuant to the Genor License Agreement during the year ended December 31, 2025 and the period from May 1, 2024 (inception) to December 31, 2024, respectively. In addition, we issued an aggregate of 12,499,997 shares of our common stock to an affiliate of Genor pursuant to a stock purchase agreement. We are also obligated to pay Genor up to \$138.5 million in development and regulatory milestone payments, up to \$300.0 million in commercial milestone payments, tiered mid single-digit to low double-digit percentage royalties on net sales of CND261 Licensed Products, and mid single-digit to low double-digit percentage of income that we receive from our sublicensees if we sublicense our rights to CND261 Licensed Products. The royalty payments are subject to reduction under certain customary circumstances. On a CND261 Licensed Product-by-CND261 Licensed Product and country-by-country basis, our obligation to pay Genor royalties commences on the first commercial sale of such CND261 Licensed Product in the applicable country until the latest to occur of (a) the last-to-expire valid claim within the patents licensed to us by Genor covering such CND261 Licensed Product in the applicable country, (b) the expiration of the last-to-expire regulatory exclusivity for such CND261 Licensed Product in the applicable country and (c) ten years after the first commercial sale of such CND261 Licensed Product in the applicable country.

The Genor License Agreement will remain in effect on a CND261 Licensed Product-by-CND261 Licensed Product and country-by-country basis until expiration of all royalty payment obligations, unless it is earlier terminated. Following expiration of the Genor License Agreement, the licenses granted to us become non-exclusive, perpetual, irrevocable and fully paid-up. Either party may terminate the Genor License Agreement for the other party's uncured material breach or insolvency, subject to certain notice and cure periods. Genor may terminate the Genor License Agreement if we challenge any of the patents licensed to us, subject to a specified notice and cure period. We may terminate the Genor License Agreement in its entirety, or on a country-by-country or CND261 Licensed Product-by-CND261 Licensed Product basis for convenience upon advance written notice to Genor. Upon termination of the Genor License Agreement, we are subject to certain post-termination obligations to enable Genor to be able to exploit the CND261 Licensed Products on a worldwide basis, or if the Genor License Agreement is not terminated in its entirety, in the applicable terminated countries.

License Agreement with WuXi Biologics

In January 2025, we entered into a license agreement (the "WuXi License Agreement") with WuXi Biologics (Shanghai) Co., Ltd. ("WuXi Biologics").

Under the WuXi License Agreement, we received an exclusive, royalty-bearing license, with the right to grant sublicenses, under certain know-how and patent rights controlled by WuXi Biologics, to develop, have developed, manufacture, have manufactured, sell, offer for sale, have sold, import and have imported, export and have exported, and otherwise commercialize CND319, certain other CD19xCD20xCD3 trispecific antibodies, and products

containing CND319 or such CD19xCD20xCD3 trispecific antibodies ("CND319 Licensed Products") for all human and non-human use, including for all research, diagnostic and therapeutic purposes (the "CND319 Field"), throughout the world.

We are responsible, at our cost, for the global development, manufacture and commercialization of CND319 Licensed Products in the CND319 Field. Until completion of the first Phase I clinical trial of a CND319 Licensed Product, we are obligated to use commercially reasonable efforts to develop a CND319 Licensed Product in the CND319 Field.

WuXi Biologics received total upfront cash consideration of \$25.0 million. We are also obligated to pay WuXi Biologics up to \$150.0 million in development and regulatory milestone payments, up to \$750.0 million in commercial milestone payments, and tiered low to mid single-digit percentage royalties on annual net sales of each CND319 Licensed Product. The royalty payments are subject to reduction under certain customary circumstances. On a CND319 Licensed Product-by-CND319 Licensed Product and country-by-country basis, our obligation to pay WuXi Biologics royalties commences on the first commercial sale of such CND319 Licensed Product in the applicable country and continues until the last to occur of (a) 12 years after the first commercial sale of such CND319 Licensed Product in the applicable country, (b) the last-to-expire valid claim within certain patents licensed to us by WuXi Biologics covering the composition of matter of such CND319 Licensed Product in a trispecific format in the applicable country, and (c) expiration of regulatory exclusivity for such CND319 Licensed Product in the applicable country. In addition, if we sublicense our rights to CND319 Products, we are obligated to pay to WuXi Biologics a percentage of certain income that we receive from our sublicensees; such percentage will be between a high single-digit to low double-digit, depending upon when the sublicense is granted.

The WuXi License Agreement will remain in effect on a CND319 Licensed Product-by-CND319 Licensed Product and country-by-country basis until expiration of all royalty payment obligations for such CND319 Licensed Product in the applicable country, unless it is earlier terminated. Following expiration of the WuXi License Agreement, the license granted to us becomes fully paid-up, perpetual, and irrevocable. We may terminate the WuXi License Agreement in its entirety, or on a country-by-country basis, for convenience upon advance written notice to WuXi Biologics. Either party may terminate the WuXi License Agreement for the other party's uncured material breach or insolvency, subject to certain notice and cure periods. WuXi Biologics may terminate the WuXi License Agreement if we or our sublicensees challenge any of the patents licensed to us, subject to a specified notice and cure period.

Government Regulation and Product Approval

Government authorities in the United States, at the federal, state and local levels, and in other countries extensively regulate, among other things, the research, development, testing, manufacturing, quality control, approval, licensure, labeling, packaging, storage, record-keeping, promotion, advertising, distribution, post-approval monitoring and reporting, marketing and export and import of biological products such as those we are developing. Our drug candidates must be approved or licensed by the FDA before they may be legally marketed in the United States and by the appropriate foreign regulatory authorities before they may be legally marketed in foreign countries. Generally, our activities in other countries will be subject to regulation that is similar in nature and scope as that imposed in the United States, although there can be important differences. Additionally, some significant aspects of regulation in the European Union ("EU") are addressed in a centralized way, but country-specific regulation remains essential in many respects. The process for obtaining regulatory marketing approvals and the subsequent compliance with appropriate federal, state, local and foreign statutes and regulations require the expenditure of substantial time and financial resources.

Regulation of Biological Products in the United States

In the United States, the FDA regulates biological products under the Federal Food, Drug and Cosmetic Act ("FDCA"), the Public Health Service Act ("PHSA") and their implementing regulations. The process of obtaining regulatory approvals and the subsequent compliance with appropriate federal, state, local and foreign statutes and regulations require the expenditure of substantial time and financial resources. Failure to comply with the applicable U.S. requirements at any time during the product development process, approval process or after approval, may subject an applicant to administrative or judicial sanctions. FDA sanctions could include, among other actions, refusal to approve pending applications, withdrawal of an approval, a clinical hold, warning letters, product recalls or withdrawals from the market, product seizures, total or partial suspension of production or distribution injunctions,

finances, refusals of government contracts, restitution, disgorgement or civil or criminal penalties. The process required by the FDA before a biological product may be marketed in the United States generally involves the following:

- completion of nonclinical laboratory tests and certain nonclinical animal studies according to good laboratory practices ("GLPs") and other applicable requirements;
- submission to the FDA of an IND, which must become effective before human clinical trials may begin and must be updated annually;
- approval by an independent Institutional Review Board ("IRB") or ethics committee representing each clinical site before the trial is commenced;
- performance of adequate and well-controlled human clinical trials according to the FDA's regulations commonly referred to as good clinical practices ("GCPs"), and any additional requirements for the protection of human research patients and their health information, to establish the safety, purity and potency of the proposed biological product for its intended use;
- preparation of and submission to the FDA of a biologics license application ("BLA") requesting approval for one or more proposed indications;
- a determination by the FDA within 60 days of its receipt of a BLA to file the application for review;
- satisfactory completion of one or more FDA pre-approval inspections of the manufacturing facility or facilities where the proposed biological product is produced to assess compliance with current good manufacturing practices ("cGMPs"), to assure that the facilities, methods and controls are adequate to preserve the drug candidate's identity, strength, quality and purity;
- potential FDA audits of the nonclinical studies and clinical trial sites that generated the data in support of the BLA;
- satisfactory completion of an FDA Advisory Committee review, if applicable;
- payment of user fees under the Prescription Drug User Fee Act ("PDUFA"), unless exempted; and
- FDA review and approval of the BLA.

Nonclinical Studies and Investigational New Drug Application

Before testing any biological drug candidate in humans, the drug candidate must undergo rigorous preclinical testing. Preclinical tests, also referred to as nonclinical studies, include laboratory evaluations of product chemistry, toxicity and formulation, as well as animal studies to assess the potential safety and activity of the drug candidate. The conduct of preclinical tests must comply with federal regulations and requirements, including GLPs for certain studies. The clinical trial sponsor must submit the results of the preclinical tests, together with manufacturing information, analytical data, any available clinical data or literature and a proposed clinical protocol, to the FDA as part of the IND, which is a request for authorization from the FDA to administer an investigational biological product to humans in clinical trials. Some preclinical testing may continue even after the IND is submitted.

An IND must become effective before human clinical trials may begin. The IND automatically becomes effective 30 days after receipt by the FDA, unless the FDA raises concerns or questions regarding the proposed clinical trials and places the trial on a clinical hold within that 30-day time period. In such a case, the IND sponsor and the FDA must resolve any outstanding concerns before the clinical trial can begin. The FDA may also impose clinical holds on a biological drug candidate at any time before or during clinical trials due to safety concerns or non-compliance. If the FDA imposes a clinical hold, trials may not initiate or resume under the IND without FDA authorization and then only under terms authorized by the FDA.

Clinical Trials in Support of a BLA

Clinical trials involve the administration of the biological drug candidate to human subjects under the supervision of qualified investigators in accordance with GCPs, which include, among other things, the requirement that all research subjects provide their informed consent for their participation in any clinical trial. Clinical trials are conducted under protocols detailing, among other things, the objectives of the clinical trial, dosing procedures, subject selection and exclusion criteria and the parameters to be used to monitor subject safety, including stopping rules that assure a clinical trial will be stopped if certain adverse events should occur. Each protocol and any amendments to the protocol must be submitted to the FDA as part of the IND. Further, each clinical trial must be reviewed and approved by an independent IRB or ethics committee at or servicing each institution at which the clinical trial will be conducted. An IRB is charged with protecting the welfare and rights of trial participants and

considers such items as whether the risks to individuals participating in the clinical trials are minimized and are reasonable in relation to anticipated benefits. The IRB also approves the form and content of the informed consent that must be signed by each clinical trial subject or his or her legal representative and must monitor the clinical trial until completed. Some studies also include oversight by an independent group of qualified experts organized by the clinical study sponsor, known as a data safety monitoring board ("DSMB"), which provides authorization for whether or not a study may move forward at designated check points based on access to certain data from the study and may halt the clinical trial if it determines that there is an unacceptable safety risk for subjects or other grounds, such as no demonstration of efficacy.

There are also requirements governing the reporting of ongoing clinical studies and clinical study results to public registries.

Human clinical trials are typically conducted in three sequential phases that may overlap or be combined:

- Phase 1. The biological drug candidate is initially introduced into healthy human subjects and tested for safety. In the case of some products for severe or life-threatening diseases, especially when the product may be too inherently toxic to ethically administer to healthy volunteers, the initial human testing is often conducted in patients. These trials are designed to evaluate the safety, dosage tolerance, metabolism and pharmacologic actions of the biological drug candidate in humans, the side effects associated with increasing doses, and if possible, to gain early evidence on effectiveness.
- Phase 2. The biological drug candidate is evaluated in a limited patient population to identify possible adverse effects and safety risks, to preliminarily evaluate the efficacy of the drug candidate for specific targeted diseases and to determine dosage tolerance, optimal dosage and dosing schedule.
- Phase 3. Clinical trials are undertaken to further evaluate dosage, clinical efficacy, potency and safety of the biological drug candidate in an expanded patient population at geographically dispersed clinical trial sites. These clinical trials are intended to establish the overall risk to benefit ratio of the product and provide an adequate basis for product labeling.

Post-approval trials, sometimes referred to as Phase 4 studies, may be conducted after initial marketing approval. These trials are used to gain additional experience from the treatment of patients in the intended therapeutic indication. In certain instances, the FDA may mandate the performance of Phase 4 clinical trials as a condition of approval of an NDA or BLA.

During all phases of clinical development, regulatory authorities require extensive monitoring and auditing of all clinical activities, clinical data and clinical trial investigators. Annual progress reports detailing the results of the clinical trials must be submitted to the FDA. Written IND safety reports must be promptly submitted to the FDA, and the investigators for serious and unexpected adverse events, any findings from other studies, tests in laboratory animals or in vitro testing that suggest a significant risk for human patients, or any clinically important increase in the rate of a serious suspected adverse reaction over that listed in the protocol or investigator brochure. The sponsor must submit an IND safety report within 15 calendar days after the sponsor determines that the information qualifies for reporting. The sponsor also must notify the FDA of any unexpected fatal or life-threatening suspected adverse reaction within seven calendar days after the sponsor's initial receipt of the information. Phase 1, Phase 2 and Phase 3 clinical trials may not be completed successfully within any specified period, if at all. The FDA or the sponsor or its DSMB may suspend or terminate a clinical trial at any time on various grounds, including a finding that the research patients are being exposed to an unacceptable health risk. Similarly, an IRB can suspend or terminate approval of a clinical trial at its institution if the clinical trial is not being conducted in accordance with the IRB's requirements or if the biological product has been associated with unexpected serious harm to patients.

Concurrently with clinical trials, companies usually complete additional studies and must also develop additional information about the physical characteristics of the biological product as well as finalize a process for manufacturing the product in commercial quantities in accordance with cGMP requirements. To help reduce the risk of the introduction of adventitious agents with use of biological products, the PHSA emphasizes the importance of manufacturing control for products whose attributes cannot be precisely defined. The manufacturing process must be capable of consistently producing quality batches of the drug candidate and, among other things, the sponsor must develop methods for testing the identity, strength, quality, potency and purity of the final biological product.

Additionally, appropriate packaging must be selected and tested, and stability studies must be conducted to demonstrate that the biological drug candidate does not undergo unacceptable deterioration over its shelf life.

Submission, Review and Approval of a BLA to FDA

After the completion of clinical trials of a biological product, FDA approval of a BLA must be obtained before commercial marketing of the biological product. The BLA submission must include results of product development, including results from laboratory and animal studies, human trials, information on the manufacture and composition of the product, proposed labeling and other relevant information.

Under the PDUFA, as amended, each BLA must be accompanied by a significant user fee. The FDA adjusts the PDUFA user fees on an annual basis. PDUFA also imposes an annual program fee for biological products. Fee waivers or reductions are available in certain circumstances, including a waiver of the application fee for the first application filed by a small business. Additionally, no user fees are assessed on BLAs for products designated as orphan drugs, unless the product also includes a non-orphan indication.

Within 60 days following submission of the application, the FDA reviews a BLA submitted to determine if it is substantially complete before the FDA accepts it for filing. The FDA may refuse to file any BLA that it deems incomplete or not properly reviewable at the time of submission and may request additional information. In this event, the BLA must be resubmitted with the additional information. The resubmitted application also is subject to review before the FDA accepts it for filing. Once the submission is accepted for filing, the FDA begins an in-depth substantive review of the BLA. The FDA reviews the BLA to determine, among other things, whether the proposed product is safe, potent, and/or effective for its intended use, and has an acceptable purity profile, and whether the product is being manufactured in accordance with cGMP to assure and preserve the product's identity, safety, strength, quality, potency and purity. Under the PDUFA guidelines that are currently in effect, the FDA has a goal to complete a standard review of an original BLA within ten months after the filing date, or, if the application qualifies for priority review, within six months after the filing date.

The FDA may refer applications for novel biological products or biological products that present difficult questions of safety or efficacy to an advisory committee, typically a panel that includes clinicians and other experts, for review, evaluation and a recommendation as to whether the application should be approved and under what conditions. The FDA is not bound by the recommendations of an advisory committee, but it considers such recommendations carefully when making decisions.

During the biological product approval process, the FDA also will determine whether a Risk Evaluation and Mitigation Strategy ("REMS"), is necessary to assure the safe use of the biological product. A REMS is a safety strategy to manage a known or potential serious risk associated with a medicine and to enable patients to have continued access to such medicines by managing their safe use and could include medication guides, physician communication plans, or elements to assure safe use, such as restricted distribution methods, patient registries and other risk minimization tools. If the FDA concludes a REMS is needed, the sponsor of the BLA must submit a proposed REMS. The FDA will not approve a BLA without a REMS, if required.

Before approving a BLA, the FDA will inspect the facilities at which the product is manufactured. The FDA will not approve the product unless it determines that the manufacturing processes and facilities are in compliance with cGMP requirements and adequate to assure consistent production of the product within required specifications.

Additionally, before approving a BLA, the FDA may also inspect one or more clinical sites to assure that the clinical trials were conducted in compliance with IND trial requirements and GCP requirements.

After the FDA evaluates a BLA and conducts any inspections of manufacturing facilities where the investigational product and/or its drug substance will be produced, the FDA may issue an approval letter or a Complete Response Letter ("CRL"). An approval letter authorizes commercial marketing of the drug with prescribing information for specific indications. A CRL indicates that the review cycle of the application is complete, and the application will not be approved in its present form. A CRL typically describes all of the specific deficiencies in the BLA identified by the FDA. The deficiencies identified may be minor, for example, requiring labeling changes, or major, for

example, requiring additional clinical trials. Additionally, the CRL may include recommended actions that the applicant might take to place a resubmitted application in a condition for approval. If a CRL is issued, the applicant may either resubmit the BLA, addressing all of the deficiencies identified in the letter, or withdraw the application.

If a product receives regulatory approval, the approval may be limited to specific diseases and dosages or the indications for use may otherwise be limited, which could restrict the commercial value of the product. Further, the FDA may require that certain contraindications, warnings or precautions be included in the product labeling. The FDA may impose restrictions and conditions on product distribution, prescribing, or dispensing in the form of a risk management plan or otherwise limit the scope of any approval. In addition, the FDA may require post marketing clinical trials or studies designed to further assess the biological product, as well as testing and surveillance programs to monitor the safety of approved products that have been commercialized and may limit further marketing of the product based on the results of these post-marketing studies.

Pediatric Trials

Under the Pediatric Research Equity Act ("PREA"), as amended, a BLA or supplement to a BLA must contain data to assess the safety and effectiveness of the product for the claimed indications in all relevant pediatric subpopulations and to support dosing and administration for each pediatric subpopulation for which the product is safe and effective. The FDCA requires that a sponsor of a biological product or drug that includes a new active ingredient, new indication, new dosage form, new dosing regimen or new route of administration submit an initial pediatric study plan ("PSP") to the FDA not later than 60 days after the end-of-Phase 2 meeting or as may be agreed between the sponsor and FDA. The initial PSP must include an outline of the pediatric study or studies that the sponsor plans to conduct, including study objectives and design, age groups, relevant endpoints and statistical approach, or a justification for not including such detailed information and any request for a deferral of pediatric assessments or a full or partial waiver of the requirement to provide data from pediatric studies along with supporting information. Generally, development program candidates designated as orphan drugs are exempt from the above requirements. FDA and the sponsor must reach agreement on the PSP. A sponsor can submit amendments to an agreed upon initial PSP at any time if changes to the pediatric plan need to be considered based on data collected from nonclinical studies, early phase clinical trials, and/or other clinical development programs.

The FDA may, on its own initiative or at the request of the applicant, grant deferrals for submission of some or all pediatric data until after approval of the product for use in adults, or full or partial waivers from the pediatric data requirements. The FDA may send a non-compliance letter to any sponsor that fails to submit the required assessment, keep a deferral current or fails to submit a request for approval of a pediatric formulation.

Expedited Development and Review Programs

The FDA has a fast track program that is intended to expedite or facilitate the process for reviewing drug candidates that meet certain criteria. Specifically, drug candidates are eligible for fast track designation if they are intended to treat a serious or life-threatening disease or condition and demonstrate the potential to address unmet medical needs for the disease or condition. Fast track designation applies to the combination of the product and the specific indication for which it is being studied. The sponsor of a fast track drug candidate has opportunities for more frequent interactions with the applicable FDA review team during product development and, once an NDA or BLA is submitted, the application may be eligible for priority review with respect to a fast track drug candidate, the FDA may consider for review sections of the BLA on a rolling basis before the complete application is submitted, if the sponsor provides a schedule for the submission of the sections of the BLA, the FDA agrees to accept sections of the BLA and determines that the schedule is acceptable, and the sponsor pays any required user fees upon submission of the first section of the BLA.

A drug candidate intended to treat a serious or life-threatening disease or condition may also be eligible for breakthrough therapy designation to expedite its development and review. A drug candidate can receive breakthrough therapy designation if preliminary clinical evidence indicates that the drug candidate, alone or in combination with one or more other drugs or biologics, may demonstrate substantial improvement over existing therapies on one or more clinically significant endpoints, such as substantial treatment effects observed early in clinical development. The designation includes all of the fast track program features, as well as more intensive FDA interaction and guidance beginning as early as Phase 1 and an organizational commitment to expedite the development and review of the product candidate, including involvement of senior managers.

Any drug candidate, submitted to the FDA for approval, including a drug with a fast track or breakthrough designation, may also be eligible for other types of FDA programs intended to expedite development and review, such as priority review. A BLA for a drug candidate is eligible for priority review if the drug candidate is designed to treat a serious condition, and if approved would provide a significant improvement in the treatment, diagnosis or prevention of a disease compared to available therapies. The FDA will attempt to direct additional resources to the evaluation of an application for a new product designated for priority review in an effort to facilitate the review. The FDA endeavors to review applications with priority review designations within six months of the filing date as compared to ten months for review of original BLAs under its current PDUFA review goals.

Additionally, depending on the design of the applicable clinical studies, a product may be eligible for accelerated approval. In particular, products studied for their safety and effectiveness in treating serious or life-threatening diseases or conditions may receive accelerated approval upon a determination that the product has an effect on a surrogate endpoint that is reasonably likely to predict clinical benefit, or on a clinical endpoint that can be measured earlier than irreversible morbidity or mortality, that is reasonably likely to predict an effect on irreversible morbidity or mortality or other clinical benefit, taking into account the severity, rarity, or prevalence of the condition and the availability or lack of alternative treatments. As a condition of approval, the FDA generally requires that a sponsor of a drug or biological product receiving accelerated approval perform adequate and well-controlled confirmatory clinical studies and may require such confirmatory studies to be underway prior to granting any accelerated approval. Biologics receiving accelerated approval may be subject to expedited withdrawal procedures if the sponsor fails to conduct the required confirmatory trials in a timely manner or if such trials fail to verify the predicted clinical benefit. In addition, the FDA currently requires as a condition for accelerated approval pre-approval of promotional materials, which could adversely impact the timing of the commercial launch of the product.

Breakthrough therapy designation comes with all of the benefits of fast track designation, which means that the sponsor may submit sections of the BLA for review on a rolling basis if certain conditions are satisfied, including an agreement with FDA on the proposed schedule for submission of portions of the application and the payment of applicable user fees before the FDA may initiate a review. The breakthrough therapy designation is a distinct status from both accelerated approval and priority review, which can also be granted to the same product if relevant criteria are met. If a product is designated as breakthrough therapy, FDA will expedite the development and review of such product. Fast Track designation, priority review and breakthrough therapy designation do not change the standards for approval but may expedite the development or approval process.

Orphan Drug Designation

Under the Orphan Drug Act, the FDA may grant orphan designation to a drug or biologic intended to treat a rare disease or condition, defined as a disease or condition with a patient population of fewer than 200,000 in the United States, or a patient population greater than 200,000 in the United States when there is no reasonable expectation that the cost of developing and making available the drug or biologic in the United States will be recovered from sales in the United States for that drug or biologic. Orphan drug designation must be requested before submitting a BLA. After the FDA grants orphan drug designation, the generic identity of the therapeutic agent and its potential orphan use are disclosed publicly by the FDA. The orphan drug designation does not convey any advantage in, or shorten the duration of, the regulatory review or approval process.

If a product that has orphan drug designation subsequently receives the first FDA approval for the disease for which it has such designation, the product is entitled to orphan product exclusivity, which means that the FDA may not approve any other applications, including a full BLA, to market the "same biologic," as defined by the FDA, for the same indication for seven years, except in limited circumstances, such as a showing of clinical superiority to the product with orphan drug exclusivity. Orphan drug exclusivity does not prevent FDA from approving a different drug or biologic for the same disease or condition, or the same drug or biologic for a different disease or condition. Among the other benefits of orphan drug designation are tax credits for certain research and a waiver of the BLA application user fee.

A designated orphan drug may not receive orphan drug exclusivity if it is approved for a use that is broader than the indication for which it received orphan designation. In addition, exclusive marketing rights in the United States 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.

U.S. Patent Term Extension and Marketing Exclusivity

In the United States, a patent claiming a new biological product, its method of use or its method of manufacture may be eligible for a limited patent term extension under the Hatch-Waxman Act, which permits a patent extension of up to five years for patent term lost during product development and FDA regulatory review. The extension period is typically one-half the time between the effective date of the IND and the submission date of the BLA, plus the time between the submission date of the BLA and the ultimate approval date, except that the review period is reduced by any time during which the applicant failed to exercise due diligence. Patent term extension cannot be used to extend the remaining term of a patent past a total of 14 years from the product's approval date in the United States. Only one patent applicable to an approved product is eligible for the extension, and the application for the extension must be submitted prior to the expiration of the patent for which extension is sought. A patent that covers multiple products for which approval is sought can only be extended in connection with one of the approvals. The United States Patent and Trademark Office ("USPTO") reviews and approves the application for any patent term extension in consultation with the FDA.

Biosimilars and Exclusivity

The Biologics Price Competition and Innovation Act ("BPCIA") amended the PHSA to authorize the FDA to approve similar versions of innovative biologics, commonly known as biosimilars, as well as interchangeable biosimilars. A biosimilar is a biological product that is highly similar to an already FDA-licensed biological product, called the "reference product." In order for the FDA to approve a biosimilar product, it must find that there are no clinically meaningful differences between the reference product and proposed biosimilar product in terms of safety, purity and potency. For the FDA to approve a biosimilar product as interchangeable with a reference product, the FDA must find that the biosimilar product can be expected to produce the same clinical results as the reference product, and (for products administered multiple times) that the biosimilar product and the reference product may be switched without increasing safety risks or risks of diminished efficacy relative to exclusive use of the reference biologic. A product shown to be biosimilar or interchangeable with an FDA-approved reference biological product may rely in part on the FDA's previous determination of safety and effectiveness for the reference product for approval, which can potentially reduce the cost and time required to obtain approval to market the product.

Under the BPCIA, an application for a biosimilar product may not be submitted to the FDA until four years following the date of approval of the reference product. The FDA may not approve a biosimilar product until 12 years from the date on which the reference product was approved. Even if a product is considered to be a reference product eligible for exclusivity, another company could market a competing version of that product if the FDA approves a full BLA for such 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 their product. The BPCIA also created certain exclusivity periods for biosimilars approved as interchangeable products, which may be substituted by pharmacies for the reference product, subject to state pharmacy law.

Pediatric Exclusivity

Pediatric exclusivity is another type of non-patent exclusivity in the U.S. and, if granted for a biologic, provides for the attachment of an additional six months of marketing protection to the term of any existing patent term or non-patent regulatory exclusivity for all formulations, dosage forms and indications of the biologic, including orphan exclusivity and reference product exclusivity. This six-month exclusivity may be granted if a BLA sponsor submits pediatric data that fairly respond to a "written request" from the FDA for such data, provided that at the time pediatric exclusivity is granted there is not less than nine months of term remaining. The data do not need to show the product to be effective in the pediatric population studied; rather, if the clinical trial is deemed to fairly respond to the FDA's request, the additional protection is granted. If reports of FDA-requested pediatric trials are submitted to and accepted by the FDA within the statutory time limits, any existing period of non-patent regulatory exclusivity or patent protection covering the product is extended by six months. As applied to patent terms, pediatric exclusivity is not a patent term extension, but it effectively extends the regulatory period during which the FDA cannot accept or approve another application relying on the BLA sponsor's data.

Post-Approval Regulation

If regulatory approval for a product or new indication for an existing product is obtained, the sponsor will be required to comply with all generally applicable post-approval regulatory requirements as well as any specific post-approval requirements that the FDA may impose as part of the approval process. The sponsor will be required to report certain adverse reactions and production problems to the FDA, provide updated safety and efficacy information and comply with advertising and promotional labeling requirements and record-keeping requirements. Manufacturers and certain of their subcontractors must register their establishments with the FDA and certain state agencies and are subject to periodic unannounced inspections by the FDA and certain state agencies for compliance with ongoing regulatory requirements, including cGMP regulations. Accordingly, the sponsor and its third-party manufacturers must continue to expend time, money and effort to maintain compliance with cGMP regulations and other regulatory requirements.

Once an approval is granted, the FDA may withdraw the approval if compliance with regulatory requirements and standards is not maintained or if problems occur after the product reaches the market. Later discovery of previously unknown problems with a product, including adverse events of unanticipated severity or frequency, or with manufacturing processes, or failure to comply with regulatory requirements, may result in revisions to the approved labeling to add new safety information, imposition of post-market studies or clinical trials to assess new safety risks, or imposition of distribution or other restrictions under a REMS program. Other potential consequences include, among other things:

- restrictions on the marketing or manufacturing of the product;
- fines, warning letters or holds on clinical trials;
- refusal of the FDA to approve pending applications or supplements to approved applications, or suspension or revocation of product licenses;
- product recall, seizure or detention, or refusal to permit the import or export of products;
- mandated modification of promotional materials and labeling and the issuance of corrective information;
- issuance of safety alerts, Dear Healthcare Provider letters, press releases and other communications containing warnings or other safety information about the product;
- withdrawal of the product from the market; or
- injunctions or the imposition of civil or criminal penalties.

The FDA strictly regulates the marketing, labeling, advertising and promotion of prescription biological products placed on the market. This regulation includes, among other things, standards and regulations for direct-to-consumer advertising, communications regarding unapproved uses, industry-sponsored scientific and educational activities and promotional activities involving the internet and social media. Promotional claims about a product's safety or effectiveness are prohibited before it is approved. After approval, a product generally may be promoted for uses or patient populations consistent with the product's prescribing information. In the United States, healthcare professionals are generally permitted to prescribe products for uses that are not approved by the FDA (sometimes called "off-label use") because the FDA does not regulate the practice of medicine. However, FDA regulations restrict manufacturers' communications about off-label uses. Promotional materials for approved biological products generally must be submitted to the FDA in conjunction with their first use.

Other U.S. Healthcare Laws and Compliance Requirements

In the United States, our activities are potentially subject to regulation by various federal, state and local authorities in addition to the FDA, including but not limited to, the Centers for Medicare & Medicaid Services ("CMS"), other divisions of the U.S. Department of Health and Human Services ("HHS"), for example, the Office of Inspector General, the U.S. Department of Justice ("DOJ") and individual U.S. Attorney offices within the DOJ, and state and local governments. For example, our business practices, including our research and any future sales, marketing and scientific/educational grant programs may be required to comply with federal anti-kickback and fraud and abuse laws, the false claims laws, the data privacy and security provisions of the Health Insurance Portability and Accountability Act ("HIPAA"), federal transparency requirements and similar state laws, each as amended.

The federal Anti-Kickback Statute prohibits, among other things, any person or entity, from knowingly and willfully offering, paying, soliciting or receiving any remuneration, including any kickback, bribe or rebate, directly or

indirectly, overtly or covertly, in cash or in kind, to induce or in return for, either the referral of an individual for, or the purchasing, leasing, ordering or arranging for the purchase, lease or order of any item or service reimbursable, in whole or in part, under Medicare, Medicaid or other federal healthcare programs. The term remuneration has been interpreted broadly to include anything of value. The federal Anti-Kickback Statute has been interpreted to apply to arrangements between pharmaceutical manufacturers on one hand and prescribers, purchasers and formulary managers on the other. Additionally, a person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation. Rather, if "one purpose" of the remuneration is to induce referrals, the federal Anti-Kickback Statute is violated. There are a number of statutory exceptions and regulatory safe harbors protecting some common activities from prosecution. The exceptions and safe harbors are drawn narrowly and require strict compliance in order to offer protection. Practices that involve remuneration that may be alleged to be intended to induce prescribing, purchasing or recommending may be subject to scrutiny if they do not qualify for an exception or safe harbor. Failure to meet all of the requirements of a particular applicable statutory exception or regulatory safe harbor does not make the conduct per se illegal under the federal Anti-Kickback Statute. Instead, the legality of the arrangement will be evaluated on a case-by-case basis based on a cumulative review of all of its facts and circumstances. Our practices may not in all cases meet all of the criteria for protection under a statutory exception or regulatory safe harbor.

The federal civil monetary penalties statute imposes penalties against any person or entity who, among other things, is determined to have knowingly presented or caused to be presented a false or fraudulent claim to, among others, a federal healthcare program that the person knows or should know is for an item or service that was not provided as claimed or is false or fraudulent.

The federal civil False Claims Act ("FCA") prohibits, among other things, any person or entity from knowingly presenting, or causing to be presented, a false claim for payment to, or approval by, the federal government or knowingly making, using, or causing to be made or used a false record or statement material to a false or fraudulent claim to the federal government in order to avoid, decrease or conceal an obligation to pay money to the federal government. As a result of a modification made by the Fraud Enforcement and Recovery Act of 2009, a claim includes "any request or demand" for money or property presented to the federal government. Pharmaceutical and other healthcare companies are being investigated or, in the past, have been prosecuted under these laws for, among other things, allegedly providing free product to customers with the expectation that the customers would bill federal programs for the product. In addition, pharmaceutical and other healthcare companies also have been prosecuted for causing false claims to be submitted because of the companies' marketing of the product for unapproved, and thus non-reimbursable uses. Moreover, a claim that includes items or services resulting from a violation of the federal Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the FCA.

HIPAA created additional federal criminal statutes that prohibit knowingly and willfully executing, or attempting to execute, a scheme or artifice to defraud or to obtain, by means of false or fraudulent pretenses, representations or promises, any money or property owned by, or under the control or custody of, any healthcare benefit program, including private third-party payors and knowingly and willfully falsifying, concealing or covering up by trick, scheme or device, a material fact or making any materially false, fictitious or fraudulent statement in connection with the delivery of or payment for healthcare benefits, items or services. Similar to the federal Anti-Kickback Statute, a person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation.

We may be subject to data privacy and security regulations by both the federal government and the states in which we conduct our business. For example, HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act of 2009 ("HITECH"), and their implementing regulations, imposes requirements on certain types of individuals and entities, including covered entities, for example, certain healthcare providers, health plans and healthcare clearinghouses, and their respective business associates that create, receive, maintain or transmit individually identifiable health information for or on behalf of a covered entity and their subcontractors that use, disclose, access, or otherwise process individually identifiable protected health information, relating to the privacy, security and transmission of individually identifiable health information. In addition, state laws govern the privacy and security of health information in specified circumstances, many of which differ from each other in significant ways and may not have the same effect, thus complicating compliance efforts.

The federal Physician Payments Sunshine Act and its implementing regulations, require that certain manufacturers of drugs, devices, biological and medical supplies for which payment is available under Medicare, Medicaid or the Children's Health Insurance Program, with certain exceptions, annually report information to CMS related to certain payments or other transfers of value made or distributed to physicians (defined to include doctors, dentists, optometrists, podiatrists and chiropractors), certain non-physician practitioners (physician assistants, nurse practitioners, clinical nurse specialists, certified registered nurse anesthetists, anesthesiologist assistants, and certified nurse midwives) and teaching hospitals, or to entities or individuals at the request of, or designated on behalf of, the physicians and teaching hospitals and to report annually certain ownership and investment interests held by physicians and their immediate family members.

Also, many states have similar fraud and abuse statutes or regulations similar to the aforementioned federal laws that apply to items and services reimbursed under Medicaid and other state programs, or, in several states, apply regardless of the payor. In order to manufacture or distribute products commercially, we must comply with state laws that require the registration of manufacturers and wholesale distributors of drug and biological products in a state, including, in certain states, manufacturers and distributors who ship products into the state even if such manufacturers or distributors have no place of business within the state. Some states also impose requirements on manufacturers and distributors to establish the pedigree of product in the chain of distribution, including some states that require manufacturers and others to adopt new technology capable of tracking and tracing product as it moves through the distribution chain. Several states and local jurisdictions have enacted legislation requiring pharmaceutical and biotechnology companies to establish marketing compliance programs and comply with the pharmaceutical industry's voluntary compliance guidelines and the relevant compliance guidance promulgated by the federal government, file periodic reports with the state, make periodic public disclosures on sales, marketing, pricing, clinical trials and other activities and/or register their sales representatives, as well as to prohibit pharmacies and other healthcare entities from providing certain physician prescribing data to pharmaceutical and biotechnology companies for use in sales and marketing, and to prohibit certain other sales and marketing practices. All of our activities are potentially subject to federal and state consumer protection and unfair competition laws.

If our operations are found to be in violation of any of the federal and state healthcare laws described above or any other governmental regulations that apply to us, we may be subject to significant penalties, including without limitation, civil, criminal and/or administrative penalties, damages, fines, disgorgement, imprisonment, exclusion from participation in government programs, such as Medicare and Medicaid, injunctions, contractual damages, reputational harm, administrative burdens, diminished profits and future earnings, additional reporting requirements and/or oversight if we become subject to a corporate integrity agreement or similar agreement to resolve allegations of non-compliance with these laws, and the curtailment or restructuring of our operations, any of which could adversely affect our ability to operate our business and our results of operations.

Data Privacy and Security Laws

In the ordinary course of business, we collect, receive, store, process, generate, use, transfer, disclose, make accessible, protect, secure, dispose of, transmit, and share (collectively, "process") personal data (including health- related information) and other sensitive information, including proprietary and confidential business information and information we collect about trial participants in connection with clinical trials (collectively, "sensitive information"). Accordingly, we are subject to numerous state, federal and foreign laws and regulations; contractual obligations; industry standards; policies and other obligations related to data privacy and security. For example, in the United States, numerous federal and state laws and regulations, including data breach notification laws, health information privacy and security laws and consumer protection laws govern the processing of sensitive information and these laws are increasingly stringent and reflect the evolving regulatory frameworks related to personal data processing that increase our compliance obligations and exposure for any actual or perceived noncompliance.

In addition, certain foreign laws also govern the privacy, security and processing of sensitive information and apply to our operations. For example, China has enacted the Personal Information Protection Law (the "PIPL"), Data Security Law (the "DSL"), the Cybersecurity Law (the "CSL") and other implementing regulations to govern data privacy and security. The PIPL took effect on November 1, 2021 and creates a comprehensive data protection framework that applies to the processing of personal information both in China and outside of China where such processing is for purposes of providing products and services to, or analyzing and evaluating the behavior of, individuals in China.

Under the PIPL, entities conducting cross-border transfers of personal information are required to meet certain conditions, including satisfaction of the security assessments conducted by competent government authority, signing and filing of standard contracts or obtaining certifications from qualified institutions, and fulfillment of notice and consent requirements. The DSL came into effect on September 1, 2021 and mandates entities processing "important data" to comply with specific data security obligations. The CSL, enacted in November 2016 and revised on October 28, 2025, with the amendment taking effect on January 1, 2026, requires network operators to follow the principles of legality, legitimacy, and necessity when collecting and using personal information, to publicly disclose rules governing such collection and use, to clearly specify the purpose, method, and the scope of the collection and use, and to obtain the consent of the individuals whose personal information is collected and used. Further, certain industry-specific Chinese laws and regulations apply to the collection and processing of trial participants' data and human genetic resources, such as China's Biosecurity Law and Regulations on the Administration of Human Genetic Resources.

Data privacy and security laws, regulations and other obligations are constantly evolving, may conflict with each other, increase our compliance efforts and can result in investigations, proceedings, actions or other adverse consequences including those that involve significant civil and/or criminal penalties and restrictions on data processing.

Coverage, Pricing and Reimbursement

Significant uncertainty exists as to the coverage and reimbursement status of any drug candidates for which we obtain regulatory approval. In the United States and certain markets in other countries, sales of any products for which we receive regulatory approval for commercial sale will depend, in part, on the extent to which third-party payors provide coverage, and establish adequate reimbursement levels for such products. No uniform policy for coverage and reimbursement exists in the United States, and coverage and reimbursement can differ significantly from payor to payor. As a result, the coverage determination process is often time-consuming and costly.

In the United States, third-party payors include federal and state healthcare programs, private managed care providers, health insurers and other organizations. The process for determining whether a third-party payor will provide coverage for a product may be separate from the process for setting the price of a product or from establishing the reimbursement rate that such a payor will pay for the product. Third-party payors may limit coverage to specific products on an approved list, also known as a formulary, which might not include all of the FDA-approved products for a particular indication. Third-party payors are increasingly challenging the price, examining the medical necessity and reviewing the cost-effectiveness of medical products, therapies and services, in addition to questioning their safety and efficacy. We may need to conduct expensive pharmacoeconomic studies in order to demonstrate the medical necessity and cost-effectiveness of our products, in addition to the costs required to obtain the FDA approvals. Our drug candidates may not be considered medically necessary or cost-effective. A payor's decision to provide coverage for a product does not imply that an adequate reimbursement rate will be approved. Further, one payor's determination to provide coverage for a product does not assure that other payors will also provide coverage for the product. Adequate third-party reimbursement may not be available to enable us to maintain price levels sufficient to realize an appropriate return on our investment in product development. Additionally, any companion diagnostic test that we develop will be required to obtain coverage and reimbursement separate and apart from the coverage and reimbursement we seek for our drug candidates, if approved.

Further, the United States government and foreign governments have continued implementing cost-containment measures. For example, HHS imposes rebates on many Medicare Part B and Medicare Part D products to penalize price increases that outpace inflation on an annual basis. HHS has also been empowered to negotiate the price of certain single-source biologics that have been on the market for at least eleven (11) years covered under Medicare as part of the Medicare Drug Price Negotiation Program. Each year up to twenty (20) products will be selected by HHS for the Medicare Drug Price Negotiation Program. Products subject to the Medicare Drug Price Negotiation Program are expected to experience a significant reduction in reimbursement from the Medicare program on a per unit basis.

The marketability of any drug candidates for which we receive regulatory approval for commercial sale may suffer if the government and third-party payors fail to provide adequate coverage and reimbursement. In addition, emphasis on managed care in the United States has increased and we expect will continue to increase the pressure on healthcare pricing. Coverage policies and third-party reimbursement rates may change at any time. Even if favorable

coverage and reimbursement status is attained for one or more products for which we receive regulatory approval, less favorable coverage policies and reimbursement rates may be implemented in the future.

Healthcare Reform

In the United States and some foreign jurisdictions, there have been, and continue to be, several legislative and regulatory changes and proposed changes regarding the healthcare system that could prevent or delay marketing approval of drug candidates, restrict or regulate post-approval activities, and affect the ability to profitably sell drug candidates for which marketing approval is obtained. Among policy makers and payors 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/or expanding access. In the United States, the pharmaceutical industry has been a particular focus of these efforts and has been significantly affected by major legislative initiatives.

For example, the Patient Protection and Affordable Care Act as amended by the Health Care and Education Reconciliation Act (the "Affordable Care Act") has substantially changed healthcare financing and delivery by both governmental and private insurers.

Since its enactment, there have been executive, judicial and political challenges to certain aspects of the Affordable Care Act. For example, on July 4, 2025, the One Big Beautiful Bill Act (the "OBBBBA") was signed into law, which narrowed access to Affordable Care Act marketplace exchange enrollment and declined to extend the Affordable Care Act enhanced advanced premium tax credits that expired at the end of 2025, which, among other provisions in the law, are anticipated to reduce the number of Americans with health insurance. The OBBBBA also is expected to reduce Medicaid spending and enrollment by implementing work requirements for some beneficiaries, capping state-directed payments, reducing federal funding, and limiting provider taxes used to fund the program. Congress is considering proposed legislation intended to further reduce healthcare costs with alternatives to replace the expired Affordable Care Act subsidies.

Other legislative changes have been proposed and adopted since the Affordable Care Act was enacted, including aggregate reductions to Medicare payments to providers, which went into effect beginning on April 1, 2013, and, due to subsequent legislative amendments to the statute will stay in effect through 2032, unless additional Congressional action is taken.

The current administration is pursuing policies to reduce regulations and expenditures across government agencies including at HHS, the FDA, CMS and related agencies. These actions, presently directed by executive orders or memoranda from the Office of Management and Budget, may propose policy changes that create additional uncertainty for our business. For example, the current administration has announced agreements with several pharmaceutical companies that require the drug manufacturers to offer, through a direct-to-consumer platform (TrumpRx) U.S. patients and Medicaid programs prescription drug Most-Favored Nation pricing equal to or lower than those paid in other developed nations, with additional mandates for direct-to-patient discounts and repatriation of foreign revenues. Other recent actions, for example, include (1) directing agencies to reduce agency workforce and cut programs; (2) directing HHS and other agencies to lower prescription drug costs through a variety of initiatives; (3) imposing tariffs on imported pharmaceutical products; and (4) as part of the Make America Healthy Again Commission's Strategy Report released in September 2025, working across government agencies to increase enforcement on direct-to-consumer pharmaceutical advertising. Additionally, the current administration recently called on Congress to enact "The Great Healthcare Plan," to codify and expand Most-Favored Nation pricing, lower government subsidies to private insurance companies, increase healthcare price transparency, expand pharmaceutical drugs available for over-the-counter purchase, and enact restrictions on pharmacy benefit manager payment methodologies, among other things. These actions and policies may significantly reduce U.S. drug prices, potentially impacting manufacturers' global pricing strategies and profitability, while increasing their operational costs and compliance risks. In June 2024, the U.S. Supreme Court's Loper Bright decision greatly reduced judicial deference to regulatory agencies, which could increase successful legal challenges to federal regulations affecting our operations. Congress may introduce and ultimately pass health care related legislation that could impact the drug approval process and make changes to the Medicare Drug Price Negotiation Program.

Individual states in the United States have also become increasingly active in passing legislation and implementing regulations designed to control pharmaceutical and biological product pricing, including price or patient

reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures, and, in some cases, designed to encourage importation from other countries and bulk purchasing.

Additional state and federal healthcare reform measures likely will be adopted in the future.

The Foreign Corrupt Practices Act

The Foreign Corrupt Practices Act ("FCPA"), prohibits any U.S. individual, business, or its representatives and agents, from paying, offering, or authorizing payment or offering of anything of value, directly or indirectly, to any foreign official, political party or candidate for the purpose of influencing any act or decision of a foreign entity in order to assist the individual or business in obtaining or retaining business. The FCPA also obligates companies whose securities are listed in the United States to comply with accounting provisions requiring the company to maintain books and records that accurately and fairly reflect all transactions of the corporation, including international subsidiaries, and to devise and maintain an adequate system of internal accounting controls for international operations.

Additional Regulation

In addition to the foregoing, state and federal laws regarding environmental protection and hazardous substances, including the Occupational Safety and Health Act, the Resource Conservancy and Recovery Act and the Toxic Substances Control Act, affect our business. These and other laws govern our use, handling and disposal of various biological, chemical and radioactive substances used in, and wastes generated by, our operations. If our operations result in contamination of the environment or expose individuals to hazardous substances, we could be liable for damages and governmental fines. We believe that we are in material compliance with applicable environmental laws and that continued compliance therewith will not have a material adverse effect on our business. We cannot predict, however, how changes in these laws may affect our future operations.

Europe / Rest of World Government Regulation

In addition to regulations in the United States, we will be subject to a variety of regulations in other jurisdictions. Whether or not we obtain FDA approval of a product, we must obtain the requisite approvals from regulatory authorities in foreign countries prior to the commencement of clinical trials or marketing of the product in those countries. Certain countries outside of the United States have a similar process that requires the submission of a clinical trial application much like the IND prior to the commencement of human clinical trials.

For other countries outside of the EU, such as countries in Eastern Europe, Latin America or Asia, the requirements governing the conduct of clinical trials, product licensing, pricing and reimbursement vary from country to country. In all cases, the clinical trials must be conducted in accordance with GCP and the applicable regulatory requirements and the ethical principles that have their origin in the Declaration of Helsinki.

If we or our potential collaborators fail to comply with applicable foreign regulatory requirements, we may be subject to, among other things, fines, suspension, variation or withdrawal of regulatory approvals, product recalls, seizure of products, operating restrictions and criminal prosecution.

Clinical Trials in the EU

Similarly to the United States, the various phases of non-clinical and clinical research in the EU are subject to significant regulatory controls. In the EU, clinical trials are governed by the Clinical Trials Regulation (EU) No 536/2014 ("CTR"), which entered into application on January 31, 2022 repealing and replacing the CTD. The CTR foresaw a three-year transition period that ended on January 31, 2025. Since this date, all new or ongoing trials are subject to the provisions of the CTR.

The CTR is intended to harmonize and streamline clinical trial authorizations, simplify adverse-event reporting procedures, improve the supervision of clinical trials and increase transparency. Specifically, the Regulation, which is directly applicable in all EU Member States, introduces a streamlined application procedure through a single-entry point, the "EU portal", the Clinical Trials Information System ("CTIS"); a single set of documents to be prepared and submitted for the application; as well as simplified reporting procedures for clinical trial sponsors. A harmonized procedure for the assessment of applications for clinical trials has been introduced and is divided into two parts.

Part I assessment is led by the competent authorities of a reference EU Member State selected by the trial sponsor and relates to clinical trial aspects that are considered to be scientifically harmonized across EU Member States. This assessment is then submitted to the competent authorities of all concerned EU Member States in which the trial is to be conducted for their review. Part II is assessed separately by the competent authorities and Ethics Committees in each concerned EU Member State. Individual EU Member States retain the power to authorize the conduct of clinical trials on their territory.

In all cases, clinical trials must be conducted in accordance with GCP and the applicable regulatory requirements and the ethical principles that have their origin in the Declaration of Helsinki. Medicines used in clinical trials, must be manufactured in accordance with the guidelines on cGMP and in a GMP licensed facility, which can be subject to GMP inspections.

EU Review and Approval Process of Medicinal Products

In the EU, medicinal products can only be commercialized after a related marketing authorization ("MA") has been granted. To obtain an MA for a product in the EU, an applicant must submit a Marketing Authorization Application ("MAA") either under a centralized procedure administered by the European Medicines Agency ("EMA"), or one of the procedures administered by the competent authorities of EU Member States (decentralized procedure, national procedure or mutual recognition procedure). An MA may be granted only to an applicant established in the EU.

The centralized procedure provides for the grant of a single MA by the European Commission that is valid throughout the EEA (which is comprised of the 27 EU Member States plus Norway, Iceland and Liechtenstein). Pursuant to Regulation (EC) No 726/2004, the centralized procedure is compulsory for specific products, including for (i) medicinal products derived from biotechnological processes, (ii) products designated as orphan medicinal products, (iii) advanced therapy medicinal products ("ATMPs") and (iv) products with a new active substance indicated for the treatment of HIV/AIDS, cancer, neurodegenerative diseases, diabetes, auto-immune and other immune dysfunctions and viral diseases. For products with a new active substance indicated for the treatment of other diseases and products that are highly innovative or for which a centralized process is in the interest of patients, authorization through the centralized procedure is optional on related approval.

Under the centralized procedure, the EMA's Committee for Medicinal Products for Human Use ("CHMP") conducts the initial assessment of a product. The CHMP is also responsible for several post-authorization and maintenance activities, such as the assessment of modifications or extensions to an existing MA. The maximum timeframe for the evaluation of an MAA under the centralized procedure is 210 days, excluding clock stops when additional information or written or oral explanation is to be provided by the applicant in response to questions of the CHMP. Accelerated assessment may be granted by the CHMP in exceptional cases, when a medicinal product targeting an unmet medical need is expected to be of major interest from the point of view of public health and, in particular, from the viewpoint of therapeutic innovation. If the CHMP accepts a request for accelerated assessment, the time limit of 210 days will be reduced to 150 days (excluding clock stops). The CHMP can, however, revert to the standard time limit for the centralized procedure if it considers that it is no longer appropriate to conduct an accelerated assessment.

Unlike the centralized authorization procedure, the decentralized MA procedure requires a separate application to, and leads to separate approval by, the competent authorities of each EU Member State in which the product is to be marketed. This application is identical to the application that would be submitted to the EMA for authorization through the centralized procedure. The reference EU Member State prepares a draft assessment and drafts of the related materials within 120 days after receipt of a valid application. The resulting assessment report is submitted to the concerned EU Member States who, within 90 days of receipt, must decide whether to approve the assessment report and related materials. If a concerned EU Member State cannot approve the assessment report and related materials due to concerns relating to a potential serious risk to public health, disputed elements may be referred to the Heads of Medicines Agencies' Coordination Group for Mutual Recognition and Decentralised Procedures— Human ("CMDh") for review. If the CMDh fails to reach a consensus, the matter escalates to the European Commission whose decision is binding on all EU Member States.

The mutual recognition procedure allows companies that have a medicinal product already authorized in one EU Member State to apply for this authorization to be recognized by the competent authorities in other EU Member

States. Like the decentralized procedure, the mutual recognition procedure is based on the acceptance by the competent authorities of the EU Member States of the MA of a medicinal product by the competent authorities of other EU Member States. The holder of a national MA may submit an application to the competent authority of an EU Member State requesting that this authority recognize the MA delivered by the competent authority of another EU Member State.

An MA has, in principle, an initial validity of five years. The MA may be renewed after five years on the basis of a re-evaluation of the risk-benefit balance by the EMA or by the competent authority of the EU Member State in which the original MA was granted. To support the application, the MA holder must provide the EMA or the competent authority with a consolidated version of the Common Technical Document providing up-to-date data concerning the quality, safety and efficacy of the product, including all variations introduced since the MA was granted, at least nine months before the MA ceases to be valid. The European Commission or the competent authorities of the EU Member States may decide on justified grounds relating to pharmacovigilance, to proceed with one further five-year renewal period for the MA. Once subsequently definitively renewed, the MA shall be valid for an unlimited period.

Any authorization which is not followed by the actual placing of the medicinal product on the EU market (for a centralized MA) or on the market of the authorizing EU Member State within three years after authorization ceases to be valid (the so-called sunset clause).

Accelerated and Alternative Marketing Authorization Mechanisms

Innovative products that target an unmet medical need and are expected to be of major public health interest may be eligible for a number of expedited development and review programs, such as the Priority Medicines ("PRIME") scheme, which provides incentives similar to the breakthrough therapy designation in the U.S. PRIME is a voluntary scheme aimed at enhancing the EMA's support for the development of medicinal products that target unmet medical needs. Eligible products must target conditions for which there is an unmet medical need (there is no satisfactory method of diagnosis, prevention or treatment in the EU or, if there is, the new medicinal product will bring a major therapeutic advantage) and they must demonstrate the potential to address the unmet medical need by introducing new methods of therapy or improving existing ones. Benefits accrue to sponsors of drug candidates with PRIME designation, including but not limited to, early and proactive regulatory dialogue with the EMA, frequent discussions on clinical trial designs and other development program elements, and potentially accelerated MAA assessment once a dossier has been submitted. A dedicated contact and rapporteur from the EMA's Committee for Human Medicinal Products, or CHMP, are appointed early in the PRIME scheme facilitating increased understanding of the product at EMA's Committee level. A kick-off meeting initiates these relationships and includes a team of multidisciplinary experts at the EMA to provide guidance on the overall development and regulatory strategies. Where, during the course of development, a medicine no longer meets the eligibility criteria, support under the PRIME scheme may be withdrawn.

In the EU, a "conditional" MA may be granted in cases where all the required safety and efficacy data are not yet available. The European Commission may grant a conditional MA for a medicinal product if it is demonstrated that all of the following criteria are met: (i) the benefit-risk balance of the medicinal product is positive; (ii) it is likely that the applicant will be able to provide comprehensive data post-authorization; (iii) the medicinal product fulfils an unmet medical need; and (iv) the benefit of the immediate availability to patients of the medicinal product is greater than the risk inherent in the fact that additional data are still required. The conditional MA is subject to conditions to be fulfilled for generating the missing data or ensuring increased safety measures. It is valid for one year and must be renewed annually until all related conditions have been fulfilled. Once any pending studies are provided, the conditional MA can be converted into a traditional MA. However, if the conditions are not fulfilled within the timeframe set by the EMA and approved by the European Commission, the MA will cease to be renewed.

An MA may also be granted "under exceptional circumstances" where the applicant can show that it is unable to provide comprehensive data on efficacy and safety under normal conditions of use even after the product has been authorized and subject to specific procedures being introduced. These circumstances may arise in particular when the intended indications are very rare and, in the state of scientific knowledge at that time, it is not possible to provide comprehensive information, or when generating data may be contrary to generally accepted ethical principles. Like a conditional MA, an MA granted in exceptional circumstances is reserved to medicinal products intended to be authorized for treatment of rare diseases or unmet medical needs for which the applicant does not

hold a complete data set that is required for the grant of a standard MA. However, unlike the conditional MA, an applicant for authorization in exceptional circumstances is not subsequently required to provide the missing data.

Although the MA “under exceptional circumstances” is granted definitively, the risk-benefit balance of the medicinal product is reviewed annually, and the MA will be withdrawn if the risk-benefit ratio is no longer favorable.

Pediatric Development in the EU

In the EU, Regulation (EC) No. 1901/2006 provides that all MAAs for new medicinal products have to include the results of trials conducted in the pediatric population, in compliance with a pediatric investigation plan (“PIP”), agreed with the EMA’s Pediatric Committee (“PDCO”). The PIP sets out the timing and measures proposed to generate data to support a pediatric indication of the medicinal product for which MA is being sought. The PDCO can grant a deferral of the obligation to implement some or all of the measures provided in the PIP until there are sufficient data to demonstrate the efficacy and safety of the product in adults. Further, the obligation to provide pediatric clinical trial data can be waived by the PDCO when these data are not needed or appropriate because the product is likely to be ineffective or unsafe in children, the disease or condition for which the product is intended occurs only in adult populations, or when the product does not represent a significant therapeutic benefit over existing treatments for pediatric patients. Once the MA is obtained in all EU Member States and study results are included in the product information, even when negative, the product is eligible for a six-month extension to the Supplementary Protection Certificate (“SPC”), if any is in effect at the time of authorization or, in the case of orphan medicinal products, a two-year extension of orphan market exclusivity.

Manufacturing Regulation in the EU

In addition to an MA, various other requirements apply to the manufacturing and placing on the EU market of medicinal products. The manufacturing of medicinal products in the EU requires a manufacturing authorization and import of medicinal products into the EU requires a manufacturing authorization allowing for import. The manufacturing authorization holder must comply with various requirements set out in the applicable EU laws, regulations and guidance, including EU cGMP standards. Similarly, the distribution of medicinal products within the EU is subject to compliance with the applicable EU laws, regulations and guidelines, including the requirement to hold appropriate authorizations for distribution granted by the competent authorities of EU Member States.

MA holders and/or manufacturing and import authorization, or MA holders and/or distribution authorization holders may be subject to civil, criminal or administrative sanctions, including suspension of manufacturing authorization, in case of non-compliance with the EU or EU Member States’ requirements applicable to the manufacturing of medicinal products.

Data and Market Exclusivity in the EU

The EU provides opportunities for data and market exclusivity related to MAs. Upon receiving an MA, innovative medicinal products are generally entitled to receive eight years of data exclusivity and ten years of market exclusivity. Data exclusivity, if granted, prevents regulatory authorities in the EU from referencing the innovator’s data to assess a generic application or biosimilar application for eight years from the date of authorization of the innovative product, after which a generic or biosimilar MAA can be submitted, and the innovator’s data may be referenced. The market exclusivity period prevents a successful generic or biosimilar applicant from commercializing its product in the EU until ten years have elapsed from the initial MA of the reference product in the EU. The overall ten-year period may, occasionally, be extended for a further year to a maximum of 11 years if, during the first eight years of those ten years, the MA holder obtains an authorization for one or more new therapeutic indications which, during the scientific evaluation prior to their authorization, are held to bring a significant clinical benefit in comparison with existing therapies. However, there is no guarantee that a product will be considered by the EU’s regulatory authorities to be a new chemical/biological entity and products may not qualify for data exclusivity.

In the EU, there is a special regime for biosimilars, or biological medicinal products that are similar to a reference medicinal product but that do not meet the definition of a generic medicinal product. For such products, the results of appropriate preclinical or clinical trials must be provided in support of an application for MA. Guidelines from the EMA detail the type of quantity of supplementary data to be provided for different types of biological product.

Orphan Designation in the EU

In the EU, Regulation (EC) No. 141/2000, as implemented by Regulation (EC) No. 847/2000 provides that a medicinal product can be designated as an orphan medicinal product by the European Commission if its sponsor can establish that: (i) the product is intended for the diagnosis, prevention or treatment of life-threatening or chronically debilitating conditions; (ii) either (a) such conditions affect not more than five in 10,000 persons in the EU when the application is made, or (b) the product without the benefits derived from orphan status, would not generate sufficient return in the EU to justify the necessary investment in developing the medicinal product; and (iii) there exists no satisfactory authorized method of diagnosis, prevention, or treatment of the condition that has been authorized in the EU, or even if such method exists, the product will be of significant benefit to those affected by that condition.

Regulation (EC) No. 847/2000 sets out further provisions for implementation of the criteria for designation of a medicinal product as an orphan medicinal product. An application for the designation of a medicinal product as an orphan medicinal product must be submitted at any stage of development of the medicinal product but before filing of an MAA. An MA for an orphan medicinal product may only include indications designated as orphan. For non-orphan indications treated with the same active pharmaceutical ingredient, a separate MA has to be sought.

Orphan medicinal product designation entitles an applicant to incentives such fee reductions or fee waivers, protocol assistance and access to the centralized MA procedure. Upon grant of an MA, orphan medicinal products are entitled to a ten-year period of market exclusivity for the approved therapeutic indication, which means that the EMA cannot accept another MAA or accept an application to extend for a similar product and the European Commission cannot grant a MA for the same indication for a period of ten years. The period of market exclusivity is extended by two years for orphan medicinal products that have also complied with an agreed PIP. No extension to any supplementary protection certificate can be granted on the basis of pediatric studies for orphan indications. Orphan medicinal product designation does not convey any advantage in, or shorten the duration of, the regulatory review and approval process.

The period of market exclusivity may, however, be reduced to six years if, at the end of the fifth year, it is established that the product no longer meets the criteria on the basis of which it received orphan medicinal product designation, including where it can be demonstrated on the basis of available evidence that the original orphan medicinal product is sufficiently profitable not to justify maintenance of market exclusivity or where the prevalence of the condition has increased above the threshold. Additionally, an MA may be granted to a similar medicinal product with the same orphan indication during the ten-year period if: (i) if the applicant consents to a second original orphan medicinal product application, (ii) if the manufacturer of the original orphan medicinal product is unable to supply sufficient quantities; or (iii) if the second applicant can establish that its product, although similar, is safer, more effective or otherwise clinically superior to the original orphan medicinal product. A company may voluntarily remove a product from the register of orphan products.

Post-authorization Requirements in the EU

Where an MA is granted in relation to a medicinal product in the EU, the holder of the MA is required to comply with a range of regulatory requirements applicable to the manufacturing, marketing, promotion and sale of medicinal products. Similar to the United States, both MA holders and manufacturers of medicinal products are subject to comprehensive regulatory oversight by the EMA, the European Commission and/or the competent regulatory authorities of the individual EU Member States. The holder of an MA must establish and maintain a pharmacovigilance system and appoint an individual qualified person for pharmacovigilance who is responsible for oversight of that system. Key obligations include expedited reporting of suspected serious adverse reactions and submission of periodic safety update reports ("PSURs").

All new MAAs must include a risk management plan describing the risk management system that the company will put in place and documenting measures to prevent or minimize the risks associated with the product. The regulatory authorities may also impose specific obligations as a condition of the MA. Such risk-minimization measures or post-authorization obligations may include additional safety monitoring, more frequent submission of PSURs, or the conduct of additional clinical trials or post-authorization safety studies.

Pricing, Coverage and Reimbursement in the EU

In the EU, pricing and reimbursement schemes vary widely from country to country.

For example, some EU Member States may restrict the range of products for which their national health insurance systems provide reimbursement. Other countries may control the prices of medicinal products for human use or allow companies to fix their own prices for products but monitor and control prescription volumes and issue guidance to physicians to limit prescriptions. Such pricing negotiations with governmental authorities can take considerable time after receipt of marketing approval for a product. Political, economic and regulatory developments may further complicate pricing negotiations.

In addition, EU Member States often require the completion of additional health technology assessments that compare the cost-effectiveness of a particular product candidate to currently available therapies. This Health Technology Assessment ("HTA") process is the procedure according to which the assessment of the public health impact, therapeutic impact and the economic and societal impact of use of a given medicinal product in the national healthcare systems of the individual country is conducted. The outcome of HTA regarding specific medicinal products will often influence the pricing and reimbursement status granted to these medicinal products by the competent authorities of individual EU Member States. At the EU level, on January 12, 2025, Regulation No 2021/2282 on Health Technology Assessment ("HTA Regulation"), entered into application through a phased implementation. The Regulation initially applies to new active substances for oncology and ATMPs. It will be expanded to orphan medicinal products in January 2028, and to all centrally authorized medicinal products as of 2030. Select high-risk medical devices also came into scope in 2026. The HTA Regulation is intended to boost cooperation among Member States in assessing health technologies, including new medicinal products. The Regulation establishes a framework for EU-level joint clinical assessments, joint scientific consultations, and the early identification of emerging health technologies. The Regulation permits EU Member States to use common tools, methodologies, and procedures and requires them to rely on EU-level joint clinical assessment reports for the clinical components of their national HTA evaluations. Individual EU Member States will continue to be responsible for assessing non-clinical (e.g., economic, social, ethical) aspects of health technologies, and making decisions on pricing and reimbursement.

Other Compliance Requirements in the EU

In the EU, the advertising and promotion of medicinal products are subject to both EU and EU Member States' laws governing promotion of medicinal products, interactions with physicians and other healthcare professionals, misleading and comparative advertising and unfair commercial practices. General requirements for advertising and promotion of medicinal products, such as direct-to-consumer advertising of prescription medicinal products are established in EU law. However, the details are governed by regulations in individual EU Member States and can differ from one country to another. For example, applicable laws require that promotional materials and advertising in relation to medicinal products comply with the product's Summary of Product Characteristic ("SmPC"), which may require approval by the competent national authorities in connection with an MA. The SmPC is the document that provides information to physicians concerning the safe and effective use of the product. Promotional activity that does not comply with the SmPC is considered off-label and is prohibited in the EU.

Much like the Anti-Kickback Statute prohibition in the United States, as described below, the provision of benefits or advantages to physicians and other health care professionals to induce or encourage the prescription, recommendation, endorsement, purchase, supply, order or use of medicinal products is also prohibited in the EU. Interactions between pharmaceutical companies and health care professionals are governed by strict laws, such as national anti-bribery laws of European countries, national sunshine rules, regulations, industry self-regulation codes of conduct and physicians' codes of professional conduct. Failure to comply with these requirements could result in reputational risk, public reprimands, administrative penalties, fines or imprisonment. Infringement of related laws could result in substantial fines and imprisonment.

Payments made to physicians and other health care professionals in certain EU Member States must be publicly disclosed. Moreover, agreements with health care professionals may require prior notification or approval by the health care professional's employer, his or her competent professional organization and/or the regulatory authorities of the individual EU Member States. Failure to comply with these requirements could result in reputational risk, public reprimands, administrative penalties, fines or imprisonment.

Facilities

Our principal executive offices are located in San Diego, California, where we lease 8,355 square feet of office space pursuant to a lease agreement that expires in September 2028 with an option to extend the lease for an additional two years. We also lease 5,748 square feet of office space in Shanghai, China pursuant to a lease agreement that expires in January 2029. We believe our existing facilities meet our current needs. We will need additional space in the future as we continue to build our development, commercial and support teams. We believe we can find suitable additional space in the future on commercially reasonable terms.

Employees and Human Capital Resources

As of December 31, 2025, we had 48 employees, 40 of whom were primarily engaged in research and development activities. None of our employees are represented by a labor union or party to a collective bargaining agreement. We consider our relationship with our employees to be good.

Our human capital resources objectives include, as applicable, identifying, recruiting, retaining, incentivizing and integrating our existing and additional employees. The principal purposes of our equity incentive plans are to attract, retain and motivate selected employees, consultants and directors through the granting of stock-based compensation awards and cash-based performance bonus awards.

Legal Proceedings

We are not currently a party to any legal proceedings. From time to time, we may, however, in the ordinary course of business face various claims brought by third parties, and we may, from time to time, make claims or take legal actions to assert our rights, including intellectual property rights as well as claims relating to employment matters and the safety or efficacy of our products. Any of these claims could subject us to costly litigation, and, while we generally believe that we have adequate insurance to cover many different types of liabilities, our insurance carriers may deny coverage, may be inadequately capitalized to pay on valid claims, or our policy limits may be inadequate to fully satisfy any damage awards or settlements. If this were to happen, the payment of any such awards could have a material adverse effect on our business, financial condition, results of operations and prospects. Additionally, any such claims, whether or not successful, could damage our reputation and business.

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

The following discussion and analysis of Rallybio's financial condition and results of operations should be read together with Rallybio's consolidated financial statements for the years ended December 31, 2025 and 2024, and the related notes appearing elsewhere in this proxy statement/prospectus. This discussion and other parts of this proxy statement/prospectus contain forward-looking statements that involve risks and uncertainties, such as statements regarding Rallybio's plans, objectives, expectations, intentions and projections. Rallybio's actual results could differ materially from those described in or implied by these forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed in the "Risk Factors" section of this proxy statement/prospectus.

Unless otherwise indicated or the context otherwise requires, references in this section to "Rallybio," the "Company," "we," "us," "our" and other similar terms refer to Rallybio and its subsidiaries.

Our Business

We are a clinical-stage biotechnology company comprised of experienced biopharma industry leaders with extensive research, development, and rare disease expertise with a mission to develop and commercialize life-transforming therapies for patients with severe and rare diseases. Our lead program, RLYB116, is a differentiated complement C5 inhibitor with the potential to treat diseases of complement dysregulation. In addition, RLYB332, a long-acting MTP-2 antibody for the treatment of diseases of iron overload is currently in preclinical development.

Recent Developments

On March 1, 2026, we entered into the Merger Agreement with Candid, a clinical-stage biotechnology company advancing a leading portfolio of TCE therapeutics for autoimmune diseases, and Merger Sub, a wholly owned subsidiary of Rallybio. Upon the terms and subject to the satisfaction of the conditions described in the Merger Agreement, Merger Sub will be merged with and into Candid, with Candid surviving as a wholly owned subsidiary of Rallybio (the "Merger" and, together with all of the other Contemplated Transactions. The Merger is intended to qualify as a tax-free reorganization for U.S. federal income tax purposes.

Concurrently with the execution and delivery of the Merger Agreement, certain investors entered into a Subscription Agreement with Candid, pursuant to which such investors have agreed to purchase, immediately prior to the Merger, shares of Candid Common Stock representing an aggregate commitment of approximately \$505.5 million in the Concurrent Financing. The shares of Candid Common Stock that are issued in the Concurrent Financing will be or will have the right to be, respectively, converted into shares of Rallybio Common Stock in the Merger.

Subject to the terms and conditions of the Merger Agreement, at the Effective Time, (a) each then-outstanding share of common stock or preferred stock of Candid (each such share, a "Candid Share") (excluding any share described in clauses (b) or (c) below and Candid Capital Stock held by stockholders who have exercised and perfected appraisal rights for such shares) will be converted into the right to receive a number of shares of Rallybio Common Stock, calculated in accordance with the Exchange Ratio as set forth in the Merger Agreement, (b) each Candid Share issued in the Concurrent Financing will be converted into the right to receive a number of shares of Rallybio Common Stock calculated in accordance with the Merger Agreement, (c) any Candid Capital Stock held as treasury shares or held or owned by Rallybio, Merger Sub or any subsidiary of Rallybio or Candid immediately prior to the Effective Time will be canceled and shall cease to exist, and no consideration shall be delivered in exchange therefor. Each then-outstanding option to purchase Candid Capital Stock will be converted into an option to purchase Rallybio Common Stock, subject to adjustment as set forth in the Merger Agreement.

Under the Exchange Ratio and Concurrent Financing Exchange Ratio formulas in the Merger Agreement, immediately after the Closing, on a pro forma basis and based upon the number of shares of Rallybio Common Stock expected to be issued in connection with the Merger, pre-Merger equityholders of Candid (other than investors in the Concurrent Financing) are expected to own approximately 57.55% of the combined company, pre-Merger equityholders of Rallybio are expected to own approximately 3.65% of the combined company and the investors in the Concurrent Financing are expected to own approximately 38.80% of the combined company (assuming proceeds

from the Concurrent Financing of \$505.5 million), in each case, calculated on a fully diluted basis, using the treasury stock method, and subject to certain assumptions, including (i) a valuation for Rallybio of \$47.5 million (assuming Rallybio Net Cash of \$37.5 million as of the Closing), (ii) a fixed valuation for Candid of \$750.0 million, and (iii) the relative capitalization of Rallybio and Candid. The percentage of the combined company that each party's equityholders will own following the Closing is subject to certain adjustments, including the amount of the final Rallybio Net Cash at the Closing.

Immediately prior to the Effective Time, Rallybio and a rights agent are expected to enter into a CVR Agreement, pursuant to which holders of record of certain Rallybio securities as of the close of business on the last business day prior to the day on which the Effective Time occurs will receive one CVR for each outstanding share of Rallybio Common Stock, prefunded warrant, Rallybio restricted stock unit or In the Money Parent Option (as defined in the CVR Agreement) held as of such date. Pursuant to the CVR Agreement, each CVR holder will be entitled to receive their pro rata share of (i) all of the net proceeds (including cash the value of stock to the extent listed on a national exchange, at the time of disposition), if any, received by Rallybio as a result of payments made to Rallybio of any upfront, milestone, royalty and other payments received under any disposition agreement related to Rallybio's Legacy Assets, and (ii) any cash proceeds received from Recursion under the Membership Interest Purchase Agreement, dated July 8, 2025, by and among Recursion, Exscientia Ventures I, Inc., Rallybio Corporation and Rallybio IPB, LLC. For a period of one year after the Closing Date, Rallybio will use commercially reasonable efforts to effect the disposition of the Legacy Assets. Such net proceeds will be subject to certain permitted deductions, including for applicable tax payments, certain expenses incurred or other liabilities borne by Rallybio or its affiliates in respect of the Legacy Assets, and losses incurred by Rallybio or its affiliates due to a third-party proceeding in connection with such disposition.

We completed a confirmatory PK and PD study of RLYB116 in healthy volunteers in 2025 and reported data in the first quarter of 2026.

In July 2025, we entered into a Membership Interest Purchase Agreement (the "ENPP1 Purchase Agreement") with Recursion Exscientia Ventures I, Inc., an indirect wholly-owned subsidiary of Recursion ("Buyer") and Rallybio IPB, LLC, a wholly-owned subsidiary of Rallybio Corporation to sell our interest in REV102, an ENPP1 inhibitor in preclinical development for the treatment of patients with HPP, to Buyer (a subsidiary of our joint venture partner Recursion) (the "JV Sale"). In connection with the JV Sale, we received a total of \$20.0 million in the third quarter of 2025 including \$7.5 million from an upfront payment and \$12.5 million from a milestone payment related to the initiation of additional preclinical studies. We are eligible to receive a \$5.0 million milestone payment in connection with the initiation of dosing in a Phase 1 clinical study, as defined in the ENPP1 Purchase Agreement and low single-digit royalties on all future net sales by Recursion of products comprising or incorporating certain compounds developed by REV-1. We may also be eligible to receive certain payments in the event of Recursion's sale of the REV102 program.

In April 2025, we announced the discontinuation of our RLYB212 program for the prevention of FNAIT based on PK data from the Phase 2 clinical trial that demonstrated an inability of the RLYB212 dose regimen to achieve predicted target concentrations, as well as the minimum target concentration required for efficacy.

Complement Dysregulation

RLYB116 is an innovative, once-weekly, small volume, subcutaneously injected inhibitor of C5 in development for the treatment of patients with complement-related diseases. We have completed two Phase 1 clinical trials in healthy participants that included the study of RLYB116 as both a SAD and a MAD. After the first Phase 1 clinical trial, we completed manufacturing process enhancements that were designed to improve the tolerability of RLYB116. In 2025, we completed the confirmatory Phase 1 clinical trial evaluating the PK/PD properties of RLYB116. The confirmatory trial achieved its two key objectives including: a significant improvement in the tolerability of RLYB116 and demonstration of complete and sustained inhibition of terminal complement. These results support the study of RLYB116 as a potential best-in-class therapeutic for multiple complement mediated diseases.

Hematological Disorders

In May 2022, we obtained worldwide exclusive rights to RLYB331, a preclinical, monoclonal antibody that is designed to inhibit MTP-2. The inhibition of MTP-2 significantly increases levels of hepcidin, decreases iron load and treats ineffective erythropoiesis. In 2024, we re-engineered RLYB331 to extend its half-life and completed non-clinical studies that demonstrated favorable tolerability, dose-dependent PK, and sustained PD effects with RLYB332, a long-acting version of RLYB331. These findings, which were presented in a poster at the 66th annual meeting of the ASH, support the continued development of RLYB332 as a potentially best-in-class therapeutic for treating diseases of iron overload.

In December 2022, we entered into a strategic alliance to discover, develop, and commercialize novel antibody-based therapeutics for rare diseases. This multi-year, multi-target collaboration combined AbCellera Biologics Inc.'s ("AbCellera's") antibody discovery engine with our clinical and commercial expertise in rare diseases to identify optimal clinical candidates with a goal of delivering therapies to patients.

Our Operations

Since inception, we have devoted substantially all of our resources to raising capital, organizing and staffing the Company, business planning, conducting discovery and research activities, acquiring or discovering product candidates, establishing and protecting our intellectual property portfolio, developing and progressing our product candidates, preparing for and conducting clinical trials and establishing arrangements with third parties for the manufacture of our product candidates and component materials, including activities relating to our preclinical development and manufacturing activities for each of our programs. We do not have any product candidates approved for sale and have not generated any revenue from product sales.

Since our inception, we have funded our operations primarily through equity financings. From our inception and prior to our initial public offering ("IPO"), we received proceeds of approximately \$182.5 million from equity financings. In August 2021, we closed our IPO and issued and sold 891,250 shares of common stock, inclusive of 116,250 shares sold pursuant to the full exercise of the underwriters' option to purchase additional shares, at a public offering price of \$104.00 per share. We received net proceeds of approximately \$83.0 million, after deducting underwriting discounts and commissions and other offering costs.

In November 2022, we completed a follow-on offering of approximately \$54.8 million pursuant to which we issued 725,456 shares of common stock, inclusive of 100,456 shares of common stock sold pursuant to the partial exercise of the underwriters' option to purchase additional shares at a price of \$48.00 per share and to certain investors in lieu of common stock, pre-funded warrants to purchase up to an aggregate of 416,673 shares of common stock at a price of \$47.9992, which represents the per share public offering price for the shares less the \$0.0008 per share exercise price for each pre-funded warrant. The net proceeds from the November 2022 follow-on offering were approximately \$50.8 million, after deducting underwriting discounts and commissions and other offering costs.

In April 2024, we entered into a securities purchase agreement (the "JJDC Securities Purchase Agreement") with Johnson & Johnson Innovation —JJDC, Inc. ("JJDC"), pursuant to which we sold to JJDC, in an unregistered offering, 454,545 shares of our common stock at a price of \$14.56 per share, which represented a 10% premium on our closing stock price on April 9, 2024, for aggregate gross proceeds of approximately \$6.6 million, before deducting offering expenses. We agreed, among other things, to file with the SEC a registration statement covering the resale of the shares, which we filed on May 10, 2024.

In July 2025, we announced that we had entered into the ENPP1 Purchase Agreement to sell our interest in REV102, an ENPP1 inhibitor in preclinical development for the treatment of patients with HPP, to Buyer (a subsidiary of our joint venture partner Recursion). In connection with the JV Sale, we received a total of \$20.0 million in the third quarter of 2025 including \$7.5 million from an upfront payment and \$12.5 million from a milestone payment related to the initiation of additional preclinical studies. We are eligible to receive a \$5.0 million milestone cash payment in connection with the initiation of dosing in a Phase 1 clinical study, as defined in the ENPP1 Purchase Agreement and low single-digit royalties on all future net sales by Recursion of products comprising or incorporating certain compounds developed by REV-I. We may also be eligible to receive certain payments in the event of Recursion's sale of the REV102 program.

As of December 31, 2025, we had cash, cash equivalents and marketable securities of \$54.7 million. We believe that our existing cash, cash equivalents and marketable securities will be sufficient to fund our operating expenses and capital expenditure requirements into 2028, although we anticipate that the proposed merger with Candid will be completed in 2026. See “—*Liquidity and Capital Resources*.”

We have incurred significant operating losses since inception, including net losses of \$9.0 million and \$57.8 million for the years ended December 31, 2025 and 2024, respectively. Our loss for the year ended December 31, 2025 included a \$23.0 million gain in connection with the JV Sale in 2025. As of December 31, 2025, we had an accumulated deficit of \$302.0 million. These losses have resulted primarily from costs incurred in connection with research and development activities and general and administrative costs associated with our operations. We have not commercialized any products and have never generated revenue from the commercialization of any product. If we are unable to complete the proposed transaction with Candid, we may need to raise additional capital. There can be no assurances, however, that additional funding will be available on terms acceptable to us, or at all.

Components of Results of Operations

Revenue

We do not have any product candidates approved for sale and have not generated any revenue from product sales. In April 2024, we entered into a two-year collaboration agreement (the “J&J Collaboration Agreement”) with Johnson & Johnson, through its wholly-owned subsidiary, Momenta Pharmaceuticals, Inc. (“J&J”). Our collaboration and license revenue to date is related to data collection and data submission performance obligations pursuant to the two-year J&J Collaboration Agreement to facilitate the advancement of research into products to address unmet needs relating to FNAIT. Pursuant to the J&J Collaboration Agreement, we received an upfront payment of \$0.5 million from J&J for the information dissemination and data provision services under the agreement. We were also eligible to receive additional payments upon certain triggers related to the companies’ FNAIT studies, however, in connection with our decision in April 2025 to discontinue development of RLYB212, we do not expect payments regarding the achievement of certain enrollment-related events.

We determined there were performance obligations as follows:

- (1) Data collection and submission revenue – derived from Rallybio’s ongoing management of the studies including the maintenance of a minimum site footprint, the license to utilize, and timely, semi-annual submission of the anonymized data, in the required formats.
- (2) Dissemination of J&J materials & participant revenue – derived from Rallybio’s dissemination of content, information or materials related to the J&J-Sponsored Studies that are developed by J&J and are provided by Rallybio for the purpose of disseminating such content, information, or materials to staff at Rallybio study sites to provide to potential eligible participants regarding J&J’s independent study.

In April 2024, we also entered into the JJDC Securities Purchase Agreement. Under the terms of the JJDC Securities Purchase Agreement, JJDC made an equity investment purchasing 454,545 shares of common stock with a par value of \$0.0001 per share for a share purchase price of \$14.56 per share which includes a 10% premium for an aggregate purchase price of \$6.6 million. The JJDC Securities Purchase Agreement contains provisions related to the registration of the shares and the restriction on the sale or transfer of the shares for a period of time. We determined the J&J Collaboration Agreement and JJDC Securities Purchase Agreement represented combined agreements. In accordance with Accounting Standards Codification 606, *Revenue Recognition* and Accounting Standards Codification Topic 820, *Fair Value Measurement*, total consideration of \$1.2 million for the shares of common stock from the JJDC Securities Purchase Agreement, which represents the premium of \$0.7 million and discount for lack of marketability of \$0.5 million, has been allocated to revenue and will be recognized over the two year expected performance period.

Operating Expenses

Research and Development Expenses

Research and development expenses consist of costs incurred in connection with our research and development activities, including our drug discovery efforts and the development of our product candidates. We expense research and development costs as incurred, which include:

- # external research and development expenses incurred under agreements with third parties, such as contract research organizations ("CROs") as well as investigative sites and consultants that conduct our clinical trials and other scientific development services;
- costs related to manufacturing material for our clinical trials, including expenses related to the manufacturing scale-up and fees paid to contract manufacturing organizations ("CMOs");
- employee-related expenses, including salaries, bonuses, benefits, share-based compensation and other related costs for those employees involved in research and development efforts;
- costs of outside consultants, including their fees, and related travel expenses;
- expenses to acquire technologies, such as intellectual property, to be used in research and development including in-process research and development ("IPR&D") that has no alternative future use at the time of asset acquisitions;
- costs related to compliance with quality and regulatory requirements; and
- facilities, depreciation and other indirect costs allocated to employees and activities supporting our research and development efforts.

Costs for certain activities are recognized based on an evaluation of the progress to completion of each specific contract using information and data provided to us by our vendors and analyzing the progress of our research studies or other services performed. Significant judgments and estimates are made in determining the expenses incurred at the end of any reporting period.

Our direct, external research and development expenses consist primarily of fees paid to outside consultants, CROs, CMOs and research laboratories in connection with our process development, manufacturing and clinical development activities. Our direct external research and development expenses also include fees incurred under license and intellectual property purchase agreements. We track these external research and development costs on a program-by-program basis.

We do not allocate employee costs, facility costs, including depreciation, or other indirect costs, to specific programs because these costs are deployed across multiple programs and, as such, are not separately classified. We use internal resources and third-party consultants primarily to conduct our research and development activities as well as for managing our process development, manufacturing and clinical development activities.

The successful development of any product candidate is highly uncertain. If we are unable to complete the proposed transaction with Candid, we will need to raise substantial additional capital in the future to fund the future development of our current programs. We intend to focus our near term research and development efforts on completing the ongoing activities and preparing our programs for a potential transaction or sale.

General and Administrative Expenses

General and administrative expenses consist primarily of salaries, benefits and share-based compensation for our personnel in executive, legal, business development, finance and accounting, and other administrative functions. General and administrative expenses also include legal fees relating to intellectual property and corporate matters, professional fees paid for accounting, auditing, tax and consulting services, insurance costs, travel expenses and direct and allocated facility costs not otherwise included in research and development expenses. We expect our general and administrative expenses to increase in the short term in connection with activities to support the completion of the potential transaction with Candid.

Total Other Income, Net

Total other income, net, includes interest income earned on cash, cash equivalents and marketable securities, and income and expense items, including income related to the proceeds from the JV Sale.

Loss on Investment in Joint Venture

We recognize the pro-rata share of losses in the joint venture with Recursion (as successor in interest to Exscientia) on the consolidated statements of operations and comprehensive loss within the loss on investment in joint venture line item, with a corresponding change to the joint venture investment asset on the consolidated balance sheets for equity method investments for which we do not have a controlling interest in. In July 2025, we sold our interest in REV102 to Recursion.

Comparison of the years ended December 31, 2025 and 2024

The following table summarizes our results of operations:

(in thousands)	FOR THE YEAR ENDED DECEMBER 31,		CHANGE
	2025	2024	
Revenue:			
Collaboration and license revenue	\$ 858	\$ 636	\$ 222
Total revenue	858	636	222
Operating expenses:			
Research and development	19,597	41,507	(21,910)
General and administrative	14,325	19,625	(5,300)
Total operating expenses	33,922	61,132	(27,210)
Loss from operations	(33,064)	(60,496)	27,432
Total other income, net	24,960	4,960	20,000
Loss before equity in losses of joint venture	(8,104)	(55,536)	47,432
Loss on investment in joint venture	874	2,239	(1,365)
Net loss	\$ (8,978)	\$ (57,775)	\$ 48,797

Revenue

Collaboration and license revenue was \$0.9 million for the year ended December 31, 2025, compared to \$0.6 million for the year ended December 31, 2024. The increase of \$0.2 million in 2025 as compared to 2024 was due to our entrance into the J&J Collaboration Agreement in the second quarter of 2024 and the recognition of revenue related to the collaboration performance obligations.

Operating Expenses

Research and Development Expenses

The following table summarizes our research and development costs for each of the periods presented:

(in thousands)	FOR THE YEAR ENDED DECEMBER 31,		CHANGE
	2025	2024	
Direct research and development by program			
RLYB212	\$ 6,291	\$ 21,287	\$ (14,996)
RLYB116	3,786	4,841	(1,055)
Other program candidates	(29)	1,901	(1,930)
Other unallocated research and development costs			
Personnel expenses (including share-based compensation)	8,798	12,488	(3,690)
Other expenses	751	990	(239)
Total research and development expenses	\$ 19,597	\$ 41,507	\$ (21,910)

Research and development expenses were \$19.6 million for the year ended December 31, 2025, compared to \$41.5 million for the year ended December 31, 2024. The decrease of \$21.9 million was primarily due to:

- a \$15.0 million decrease in costs related to the development of RLYB212, primarily related to a decrease in clinical development costs, manufacturing costs and other related development costs as a result of our discontinuation of the FNAIT program in April 2025;
- a \$1.1 million decrease in costs related to the development of RLYB116, primarily related to a decrease in manufacturing costs; which were partially offset by an increase in clinical development costs and other related development costs;
- a \$1.9 million decrease in costs related to the development of other program candidates, primarily related to RLYB332 manufacturing costs and other related development costs; and
- a \$3.7 million decrease in payroll and personnel-related expenses, primarily due to lower ongoing headcount during the year ended December 31, 2025 as compared to the same period in 2024; offset by an increase in personnel-related expenses due to the severance expense recognized in the second quarter of 2025 in connection with the workforce reduction, effective May 2, 2025.

General and Administrative Expenses

General and administrative expenses were \$14.3 million for the year ended December 31, 2025, compared to \$19.6 million for the year ended December 31, 2024. The decrease of \$5.3 million was primarily due to:

- a \$4.7 million decrease in personnel-related expenses, primarily related to lower ongoing headcount during the year ended December 31, 2025 as compared to the same period in 2024; offset by an increase in personnel-related expenses due to severance expense recognized in the second quarter of 2025 in connection with the workforce reduction, effective May 2, 2025; and
- a \$0.6 million decrease primarily related to professional fees and other related general and administrative expenses; offset by an increase in legal fees.

Total Other Income, Net

Total other income, net, for the year ended December 31, 2025 was \$25.0 million compared to \$5.0 million for the year ended December 31, 2024. The increase in total other income of \$20.0 million was primarily related to an increase in other income related to the JV Sale; offset by a decrease in interest income from marketable securities due to a lower excess cash balance.

Loss on Investment in Joint Venture

Loss on investment in joint venture for the year ended December 31, 2025 was \$0.9 million compared to \$2.2 million for the year ended December 31, 2024. The change was primarily due to the sale of our interest in REV102 in July 2025.

Liquidity and Capital Resources

Sources of Liquidity

On February 6, 2026, we executed a reverse stock split of our issued and outstanding common stock, par value \$0.0001, at a ratio of 1-for-8 with a record date of December 30, 2025 (the "Reverse Stock Split"). All common stock, per share and related information included below have been adjusted retroactively, where applicable, to reflect the Reverse Stock Split.

Since our inception, we have funded our operations primarily through equity financings. From our inception and prior to our IPO, we received proceeds of approximately \$182.5 million from equity financings. In August 2021, we closed our IPO and issued and sold 891,250 shares of common stock, inclusive of 116,250 shares sold pursuant to the full exercise of the underwriters' option to purchase additional shares, at a public offering price of \$104.00 per share. We received net proceeds of approximately \$83.0 million, after deducting underwriting discounts and commissions and other offering costs.

In August 2022, we filed a registration statement on Form S-3 (the "Shelf") with the SEC in relation to the registration and potential future issuance of common stock, preferred stock, debt securities, warrants and/or units of any combination thereof in the aggregate amount of up to \$300.0 million. The Shelf was declared effective on

August 15, 2022. Pursuant to General Instruction I.B.6 to Form S-3 ("Instruction I.B.6"), a company with a public float of less than \$75.0 million measured at certain time periods may not issue securities under registration statements on Form S-3 in excess of one-third of its public float in a 12-month period. We are subject to the limitations of Instruction I.B.6, which may limit the amount of funds we can raise using the Shelf or any other registration statement on Form S-3. In connection with the Shelf, we also simultaneously entered into a Sales Agreement with TD Securities (USA) LLC (f/k/a Cowen and Company, LLC) ("TD Cowen"), which was amended on March 13, 2025 (as amended, the "Sales Agreement"). In accordance with the terms of the Sales Agreement, we may offer and sell shares of our common stock having an aggregate offering price of up to \$9.55 million from time to time at prices through TD Cowen acting as our agent. Pursuant to the Sales Agreement, sales of our common stock, if any, will be made in sales deemed to be "at the market offerings" as defined in Rule 415(a)(4) promulgated under the Securities Act of 1933, as amended (the "Securities Act"). Under the Sales Agreement, TD Cowen will be entitled to compensation equal to 3.0% of the gross proceeds of any shares of common stock sold under the Sales Agreement. As of December 31, 2025, we had not sold any shares of common stock pursuant to the Sales Agreement.

In November 2022, we completed a follow-on offering of approximately \$54.8 million consisting of 725,456 shares of common stock, inclusive of 100,456 shares of common stock sold pursuant to the partial exercise of the underwriters' option to purchase additional shares at the price of \$48.00 per share, and to certain investors in lieu of common stock, pre-funded warrants to purchase up to an aggregate of 416,673 shares of common stock at a price of \$47.9992, which represents the per share public offering price for the shares less the \$0.0008 per share exercise price for each pre-funded warrant. The net proceeds from the November 2022 follow-on offering were approximately \$50.8 million, after deducting underwriting discounts and commissions and other offering costs.

In April 2024, we entered into the JJDC Securities Purchase Agreement, pursuant to which we sold to JJDC in an unregistered offering, 454,545 shares of our common stock at a price of \$14.56 per share, which represented a 10% premium on our closing stock price on April 9, 2024, for aggregate gross proceeds of approximately \$6.6 million, before deducting offering expenses. We agreed, among other things, to file with the SEC a registration statement covering the resale of the shares within 120 days following the closing of the offering. We filed this registration statement on May 10, 2024.

In July 2025, we announced that we had entered into the ENPP1 Purchase Agreement to sell our interest in REV102, an ENPP1 inhibitor in preclinical development for the treatment of patients with HPP, to Buyer (a subsidiary of our joint venture partner, Recursion). In the third quarter of 2025, we received a total of \$20.0 million in connection with the JV Sale, including \$7.5 million from an upfront payment and \$12.5 million from a milestone payment related to the initiation of additional preclinical studies. We are eligible to receive a \$5.0 million milestone cash payment in connection with the initiation of dosing in a Phase 1 clinical study, as defined in the ENPP1 Purchase Agreement and low single-digit royalties on all future net sales by Recursion of products comprising or incorporating certain compounds developed by REV-I. We may also be eligible to receive certain payments in the event of Recursion's sale of the REV102 program.

As of December 31, 2025, we had \$54.7 million of cash, cash equivalents and marketable securities.

Uses of Liquidity

We currently have no ongoing material financing commitments, such as lines of credit or guarantees, that are expected to affect our liquidity over the next five years. See "*Contractual Obligations*".

Funding Requirements

We believe that our existing cash, cash equivalents and marketable securities will be sufficient to fund our operating expenses and capital expenditure requirements for at least 12 months of the filing of this proxy statement/prospectus and we anticipate that the proposed merger with Candid will be completed in 2026.

Because of the numerous risks and uncertainties, length of time and scope of activities associated with research, development and commercialization of pharmaceutical product candidates, we are unable to estimate the actual amount of funds we will require for development, approval and any approved marketing and commercialization activities. Our future capital requirements will depend primarily on our ability to complete the proposed transaction with Candid.

If we do not complete the proposed transaction with Candid and until such time, if ever, as we generate significant revenue from product sales, we expect to finance our operations through the sale of equity, debt financings, marketing and distribution arrangements and collaborations, strategic alliances and licensing arrangements or other sources. We currently have no credit facility or committed sources of capital. Any future sales of equity will result in dilution to our existing stockholders. If we raise additional funds 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, and we may need to dedicate a substantial additional portion of any operating cash flows to the payment of principal and interest on such indebtedness. If we raise additional funds through collaborations, strategic alliances or marketing, distribution or licensing arrangements with third parties, we may be required to relinquish valuable rights to our technologies, intellectual property, future revenue streams or product candidates or grant licenses on terms that may not be favorable to us. If we are unable to raise additional funds when needed, we may be required to delay, limit, reduce or terminate product candidate development or future commercialization efforts.

Cash Flows

The following table summarizes our cash flows for each of the periods presented:

(in thousands)	FOR THE YEAR ENDED DECEMBER 31,	
	2025	2024
Net cash used in operating activities	\$ (29,813)	\$ (49,282)
Net cash provided by investing activities	47,268	33,492
Net cash provided by financing activities	16	5,199
Net increase (decrease) in cash and cash equivalents	<u>\$ 17,471</u>	<u>\$ (10,591)</u>

Operating Activities

During the year ended December 31, 2025, net cash used in operating activities was \$29.8 million as compared to \$49.3 million for the year ended December 31, 2024. The decrease in net cash used in operating activities was primarily related to a decrease in research and development and general and administrative activities and changes in working capital.

Investing Activities

Net cash provided by investing activities was \$47.3 million for the year ended December 31, 2025 as compared to \$33.5 million for the year ended December 31, 2024. The increase of \$13.8 million in net cash provided by investing activities was primarily related to proceeds of \$46.5 million from maturities of highly-rated debt securities, in addition to an increase of \$18.5 million primarily related to the \$20.0 million in proceeds from the JV Sale, partially offset by purchases of highly-rated debt securities of \$17.7 million during the year ended December 31, 2025, as compared to proceeds from maturities of highly-rated debt securities of \$84.4 million, partially offset by purchases of highly-rated debt securities of \$48.9 million during the year ended December 31, 2024.

Financing Activities

Net cash provided by financing activities for the year ended December 31, 2025 was \$16 thousand, representing proceeds from the issuance of common stock under the stock purchase plan. Net cash provided by financing activities for the year ended December 31, 2024 was \$5.2 million, primarily representing proceeds from the issuance of common stock pursuant to the JJDC Securities Purchase Agreement, after deducting offering costs and accounting for the total consideration allocation related to the J&J Collaboration Agreement of \$1.2 million.

Contractual Obligations

The following table summarizes our contractual obligations as of December 31, 2025:

(in thousands)	PAYMENTS DUE BY PERIOD				
	TOTAL	LESS THAN 1 YEAR	1-3 YEARS	3-5 YEARS	MORE THAN 5 YEARS
Operating lease obligations	\$ 190	\$ 106	\$ 84	\$ —	\$ —

The contractual obligation amounts in the table above are associated with contracts that are enforceable and legally binding and that specify all significant terms, including fixed or minimum services to be used, fixed, minimum or variable price provisions and the approximate timing of the actions under the contracts.

Purchase and Other Obligations

We enter contracts in the normal course of business with CROs and other third-party vendors for clinical trials and testing and manufacturing services. Aside from those included in the table above, most contracts do not contain minimum purchase commitments and are cancellable by us upon written notice. Payments that may be due upon cancellation consist of payments for services provided or expenses incurred. These payments are not included in the table above as the amount and timing of such payments are not known.

We may incur contingent payments upon our achievement of clinical, regulatory and commercial milestones, as applicable under agreements we have entered into with various third-party entities pursuant to which we have acquired or in-licensed intellectual property. Due to the uncertainty of the achievement and timing of the events that require payment under these agreements, the amounts to be paid by us are not fixed or determinable at this time and have not been included in the table above. See *"Rallybio's Business—License Agreements"* and *"Rallybio's Business—Asset Purchase Agreements"* included elsewhere in this proxy statement/prospectus for a description of these agreements.

Critical Accounting Estimates

Our consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of our consolidated financial statements and related disclosures requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, costs and expenses, and the disclosure of contingent assets and liabilities in our consolidated financial statements. We base our estimates on historical experience, known trends and events and various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. We evaluate our estimates and assumptions on an ongoing basis. Our 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 "Summary of Significant Accounting Policies Basis of Presentation and Principles of Consolidation" to our consolidated financial statements included elsewhere in this proxy statement/prospectus, we believe that the following accounting policies are those most critical to the judgments and estimates used in the preparation of our consolidated financial statements.

Research and Development Expenses

As part of the process of preparing our consolidated financial statements, we are required to estimate our research and development expenses that are incurred as of each reporting period. This process involves reviewing open contracts and purchase orders, communicating with our personnel and with vendors to identify services that have been performed on our behalf and estimating the level of service performed and the associated cost incurred for the service when we have not yet been invoiced or otherwise notified of the actual cost. The majority of our service providers invoice us monthly in arrears for services performed or when contractual milestones are met. We make estimates of our accrued expenses as of each balance sheet date based on facts and circumstances known to us at that time. We periodically confirm the accuracy of our estimates with the service providers and make adjustments if necessary.

We base our expenses related to research and development activities on our estimates of the services received and efforts expended pursuant to quotes and contracts with vendors that conduct research and development on our behalf. The financial terms of these agreements are subject to negotiation, vary from contract to contract and may result in uneven payment flows. There may be instances in which payments made to our vendors will exceed the level of services provided and result in a prepayment of the research and development expense. In accruing service fees, we estimate the time period over which services will be performed and the level of effort to be expended in each period. If the actual timing of the performance of services or the level of effort varies from our estimate, we adjust the accrual or prepaid balance accordingly. Non-refundable advance payments for goods and services that will be used in future research and development activities are expensed when the activity has been performed or when the goods have been received rather than when the payment is made.

Although we do not expect our estimates to be materially different from amounts incurred, if our estimates of the status and timing of services performed differ from the actual status and timing of services performed, it could result in us reporting amounts that are too high or too low in any particular period.

Share-Based Compensation

We account for share-based compensation in accordance with the Accounting Standards Codification 718, *Compensation—Stock Compensation*. Generally, share-based compensation is measured at the grant date for all equity-based awards made to employees based on the fair value of the awards and is recognized over the requisite service period, which is generally the vesting period. Share-based compensation for awards with performance conditions are recognized over the service period when achievement of the performance condition is probable. We have elected to recognize the actual forfeitures by reducing the share-based compensation in the same period as the forfeitures occur. We classify share-based compensation in the consolidated statements of operations and comprehensive loss in the same manner in which the award recipients' payroll costs are classified.

The Black-Scholes option-pricing model uses as inputs the fair value of our common stock and assumptions we make for the volatility of our common stock, the expected term of our common stock options, the risk-free interest rate for a period that approximates the expected term of our common stock options, and our expected dividend yield. See Note 2 "Summary of Significant Accounting Policies Basis of Presentation and Principles of Consolidation" of our consolidated financial statements for additional information on the assumptions utilized in the Black-Scholes option-pricing model.

Emerging Growth Company and Smaller Reporting Company

As an EGC under the JOBS Act, we may delay the adoption of certain accounting standards until such time as those standards apply to private companies. Other exemptions and reduced reporting requirements under the JOBS Act, for EGCs include presentation of only two years of audited financial statements in a registration statement for an IPO, an exemption from the requirement to provide an auditor's report on internal controls over financial reporting pursuant to Section 404(b) of the Sarbanes-Oxley Act of 2002, an exemption from any requirement that may be adopted by the Public Company Accounting Oversight Board regarding mandatory audit firm rotation, and less extensive disclosure about our executive compensation arrangements. Additionally, the JOBS Act provides that an EGC can take advantage of an extended transition period for complying with new or revised accounting standards. This allows an EGC to delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have elected not to "opt out" of such extended transition period, which means that when a standard is issued or revised and it has different application dates for public or private companies, we will adopt the new or revised standard at the time private companies adopt the new or revised standard and will do so until such time that we either (i) irrevocably elect to "opt out" of such extended transition period or (ii) no longer qualify as an EGC. We may choose to early adopt any new or revised accounting standards whenever such early adoption is permitted for private companies. Therefore, the reported results of operations contained in our consolidated financial statements may not be directly comparable to those of other public companies.

We are also a "smaller reporting company" meaning that the market value of our stock held by non-affiliates is less than \$700.0 million and our annual revenue was less than \$100.0 million during the most recently completed fiscal year. We may continue to be a smaller reporting company if either (i) the market value of our stock held by non-affiliates is less than \$250.0 million or (ii) our annual revenue was less than \$100.0 million during the most

recently completed fiscal year and the market value of our stock held by non-affiliates is less than \$700.0 million. If we are a smaller reporting company at the time we cease to be an EGC, we may continue to rely on exemptions from certain disclosure requirements that are available to smaller reporting companies. Specifically, as a smaller reporting company we may choose to present only the two most recent fiscal years of audited financial statements in our Annual Report on Form 10-K and, similar to emerging growth companies, smaller reporting companies have reduced disclosure obligations regarding executive compensation.

Off-Balance Sheet Arrangements

As of December 31, 2025 and 2024, we did not have any off-balance sheet arrangements, as defined in Item 303(a)(4)(ii) of Regulation S-K.

Recently Issued Accounting Pronouncements

A description of recently issued accounting pronouncements that may potentially impact our financial position, results of operations and footnote disclosures is disclosed in Note 2 “Summary of Significant Accounting Policies Basis of Presentation and Principles of Consolidation” to our consolidated financial statements for the year ended December 31, 2025 appearing elsewhere in this proxy statement/prospectus.

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

You should read the following discussion and analysis of Candid's financial condition and results of operations together with the consolidated financial statements and related notes included elsewhere in this proxy statement/prospectus. Some of the information contained in this discussion and analysis or set forth elsewhere in this proxy statement/prospectus, including information with respect to Candid's plans and strategy for its business and related financing, includes forward-looking statements that involve risks and uncertainties. As a result of many factors, including those factors set forth in the section titled "Risk Factors," Candid's actual results could differ materially from the results described in or implied by the forward looking statements contained in the following discussion and analysis. You should carefully read the section titled "Risk Factors" to gain an understanding of the important factors that could cause actual results to differ materially from Candid's forward-looking statements. Please also see the section titled "Cautionary Note Regarding Forward-Looking Statements."

Overview

Candid is a global clinical-stage biotechnology company focused on building the leading portfolio of TCE therapeutics to treat autoimmune diseases, which affect an estimated 5-10% of the global population. Despite available treatments, many patients experience persistent disease activity, progressive organ damage, and lifelong dependence on immunosuppressive therapies that provide incomplete disease control and cause significant adverse events. Cizutamig, which targets BCMA, is Candid's lead clinical-stage TCE program and is advancing into global Phase 2 studies in gMG and SARD-ILD. TCEs harness a patient's own T cells to deplete pathogenic B-cells, with the potential to deliver either deep depletion of B-cells, which could provide durable disease remission ("immune reset"), or partial depletion of B-cells, which could provide for controlled, sustained disease management ("immune dimming").

Candid has built a diversified pipeline of four wholly-owned TCE programs in development targeting distinct B-cell antigens—BCMA, CD20, and CD19. Candid's most advanced clinical stage program, cizutamig, is a BCMA TCE that is being investigated in multiple Phase 1 dose-escalation trials in patients with gMG and SLE as well as in IITs in SARD-ILD, SSc, and other diseases. Biopsies obtained post treatment with cizutamig show deep B-cell depletion, including in plasma cells, bone marrow and lymph nodes. In patients with gMG, Candid has seen clinical improvements with standardized physician and patient disease activity indices. In patients with SARD-ILD, Candid has seen improvements in lung function as measured by increases in FVC. Cizutamig has demonstrated a favorable tolerability profile in patients with autoimmune disease with low rates of adverse events related to cytokine release and no deaths or dose-limiting adverse events. Candid plans to initiate global Phase 2 clinical trials in gMG and SARD-ILD by the middle of 2026. In gMG, Candid plans to conduct a head-to-head study comparing cizutamig to VYVGART®, a FcRn antagonist therapy.

Candid's second clinical-stage program, CND261, is a CD20 TCE that is being investigated in Phase 1 dose-escalation studies in patients with RA, SLE, as well as an IIT in ANCA-associated vasculitis. CND261 was engineered with the goal of achieving deeper B-cell depletion than approved CD20-targeted mAbs such as Rituxan® or GAZYVA®. Lymph node biopsies post treatment with CND261 in patients with autoimmune disease shows deep depletion of CD20 positive B-cells. CND261 has demonstrated a favorable tolerability profile in patients with autoimmune disease with low rates of adverse events related to cytokine release and no deaths or dose-limiting adverse events. Beyond these two clinical programs, Candid has built a pipeline of next-generation trispecific TCEs, each designed to target two different antigens expressed on B-cells. CND319 is a TCE that targets CD19 and CD20 for B-cell depletion. In non-human primate studies, single doses of CND319 show deep tissue B-cell depletion with minimal cytokine release. Candid expects to initiate first-in-human studies for CND319 in the middle of 2026. CND460 is a TCE that targets CD19 and BCMA and is currently undergoing IND-enabling studies with first-in-human trials planned for the first half of 2027.

Since its incorporation in May 2024, Candid has devoted substantially all of its resources and efforts to organizing and staffing its company, business planning, raising capital, identifying assets, engaging in strategic transactions and licensing arrangements, establishing and protecting its intellectual property portfolio preparing for and

conducting its planned preclinical studies and clinical trials, advancing arrangements with third parties for the manufacture of its drug candidates and component materials, and providing general and administrative support for these operations.

On August 19, 2024, Candid entered into an agreement and plan of merger and reorganization (the “2024 Merger Agreement”) with Vignette Bio, Inc. (“Vignette”) and TRC 2004, Inc. (“TRC”, and together with Vignette, “Predecessors”). Upon the consummation of the merger pursuant to the 2024 Merger Agreement (the “2024 Merger”), Vignette and TRC became wholly owned subsidiaries of Candid. In December 2024, Vignette and TRC were merged with and into Candid. As more fully described in Note 5 to Candid’s consolidated financial statements included elsewhere in this proxy statement/prospectus, the total consideration transferred by Candid in the 2024 Merger primarily consisted of 105,000,000 shares of Candid’s Series A-1 convertible preferred stock, 89,999,985 shares of Candid’s Series A-2 convertible preferred stock and 69,999,985 shares of Candid’s common stock with an aggregate fair value of \$271.1 million (including transaction costs). In exchange for the consideration given, Candid received \$116.9 million of cash, other working capital of \$0.8 million and in-process research and development (“IPR&D”) with a fair value of \$153.4 million.

On January 22, 2025, Candid established Shanghai Tandī Biotechnology Co., Ltd. (“Tandī”), a Shanghai Limited Liability Company, as a wholly owned foreign subsidiary located in Shanghai, China, formed for the primary purpose of conducting clinical trials in China. Candid’s consolidated financial statements, included elsewhere in this proxy statement/prospectus, include the accounts of Candid for all periods presented, and the accounts of Vignette and TRC from August 19, 2024 through December 27, 2024, and the accounts of Tandī from formation through December 31, 2025. All intercompany balances were eliminated in consolidation. The financial statements of the Predecessors, for the period from January 1, 2024 through August 19, 2024 (the 2024 Merger date), are included elsewhere in this proxy statement/prospectus.

On March 1, 2026, Rallybio entered into the Merger Agreement with Candid and Merger Sub. Upon the terms and subject to the satisfaction of the conditions described in the Merger Agreement, Merger Sub will be merged with and into Candid, with Candid surviving as a wholly owned subsidiary of Rallybio. The Merger is intended to qualify as a tax-free reorganization for U.S. federal income tax purposes. In connection with the Merger, Rallybio will change its name to “Candid Therapeutics, Inc.” Candid following the Merger is referred to herein as the “combined company.” The combined company is expected to be led by Candid’s management team and will focus on advancing a leading portfolio of TCE therapeutics for autoimmune diseases. Concurrently with entering into the Merger Agreement, Candid entered into the Subscription Agreement with the Investors. Pursuant to the Subscription Agreement, Candid agreed to sell, and the Investors agreed to purchase, immediately prior to the Effective Time, shares of Candid Common Stock for an aggregate purchase price of \$505.5 million. Shares of Candid Common Stock issued pursuant to the Concurrent Financing will be converted into shares of Rallybio Common Stock in accordance with the Merger Agreement.

Since its inception, Candid has funded its operations primarily through the issuance of shares of its convertible preferred stock, the issuance of shares of its capital stock in connection with the 2024 Merger, and interest income on its investment portfolio. To date, in addition to the net cash it received in the 2024 Merger, Candid has received gross proceeds of approximately \$206.2 million from the sale of shares of its convertible preferred stock (including cash proceeds from convertible debt converted in the financing). As of December 31, 2025, Candid had cash and cash equivalents and short-term investments of \$223.3 million. Based on its current operating plan, Candid estimates that its existing cash, cash equivalents and short-term investments as of the date of this proxy statement/prospectus, together with the estimated net proceeds from the Merger and the Concurrent Financing, will be sufficient to fund its operating expenses and capital expenditures through 2030. However, Candid’s forecast of the period of time through which its financial resources will be adequate to support its operations is a forward-looking statement that involves risks and uncertainties, and actual results could differ materially. Candid has based this estimate on assumptions that may prove to be wrong, and Candid could use its capital resources sooner than it currently expects.

Candid has incurred net losses since its inception. Candid’s net losses for the year ended December 31, 2025 and the period from May 1, 2024 (inception) to December 31, 2024 were \$92.2 million and \$174.3 million

respectively. Of such net losses, \$31.3 million and \$162.0 million, respectively, related to acquired IPR&D. As of December 31, 2025, Candid had an accumulated deficit of \$266.5 million. Candid's operating results may fluctuate significantly from quarter-to-quarter and year-to-year, depending on the timing and level of expense related to current or future development of its clinical and preclinical trials and its expenditures on other research and development and other activities. Excluding Candid's acquired IPR&D, Candid expects its expenses and operating losses will increase substantially as cizutamig and CND261 and any other future drug candidates advance through preclinical and clinical trials, as Candid expands its clinical, regulatory, quality and manufacturing capabilities, hires additional personnel, protects its intellectual property, and as Candid incurs significant commercialization expenses for marketing, sales, manufacturing and distribution, in anticipation of receiving marketing approval for one or more of its drug candidates, which it may not receive. Furthermore, upon the Closing, Candid expects to incur additional costs associated with operating as a public company.

Candid does not have any drug candidates approved for sale and has not generated any revenue from drug sales. Candid does not expect to generate any revenues from drug sales unless and until it successfully completes development and obtains regulatory approval for one or more drug candidates, which will not be for at least a number of years, if ever. Accordingly, until such time as Candid can generate significant revenue from sales of its drug candidates, if ever, Candid expects to finance its cash needs through public or private equity or debt financings, or other sources, potentially including collaborations and other strategic arrangements with third parties. However, Candid may be unable to raise additional funds or enter into such other arrangements when needed on favorable terms or at all. Candid's failure to raise capital or enter into such other arrangements when needed would have a negative impact on its financial condition and could force it to delay, limit, reduce or terminate clinical trials, research and development programs or other operations, or lead it to grant rights to third parties to develop and market drug candidates that it would otherwise prefer to develop and market itself.

Candid does not own or operate, and currently has no plans to establish, any manufacturing facilities. Candid has engaged, and currently relies on third party CDMOs, for the supply of its drug candidates for use in its ongoing and planned preclinical studies and planned clinical trials.

Candid relies on third party CDMOs for biologics development and manufacturing services. Candid is evaluating third party CDMOs to further diversify and strengthen its supply chain. Additionally, Candid is establishing processes to help enable it to scale up production for late-stage clinical trials as well as commercial use. Candid is also developing subcutaneous formulations for both of cizutamig and CND261. Candid expects to start evaluation of the subcutaneous formulation for cizutamig in clinical development in the second half of 2026. If any of its drug candidates receive marketing approval, Candid intends to rely on third-party CDMOs for commercial manufacturing. As its drug candidates advance through development, Candid expects to enter into longer-term commercial supply agreements to fulfill and secure its production needs.

License and Collaboration Agreements

As a result of the 2024 Merger, Candid assumed certain license and collaboration agreements with EpimAb relating to cizutamig and with Genor relating to CND261. In January 2025, Candid and WuXi Biologics entered into a license agreement relating to certain tri-specific antibodies. As its drug candidates progress through development and toward commercialization, Candid will need to make milestone payments to the licensors from whom it has in-licensed its drug candidates. See the section titled "*Contractual Obligations and Commitments*" below, "*Candid's Business—License and Collaboration Agreements*" and the notes to Candid's consolidated financial statements included elsewhere in this proxy statement/prospectus for additional information on these agreements.

Financial Operations Overview

Operating Expenses

The descriptions below reflect the composition of the operating expenses for Candid and the Predecessors. Not all listed expenses are applicable to each entity. See "*Results of Operations for Candid*" below for descriptions of the operating expenses by period applicable to each of Candid, Vignette and TRC.

Operating expenses consist of (i) research and development expenses, (ii) in-process research and development, and (iii) general and administrative expenses.

Research and Development

Research and development expenses primarily consist of external and internal expenses related primarily to the discovery and development of its drug candidates. Research and development expenses are recognized as incurred and payments made prior to the receipt of goods or services to be used in research and development are capitalized until the goods or services are received. IPR&D expenses, which represent a significant portion of operating expenses, are classified separately from research and development expenses.

Research and development expenses include:

External:

- external research and development expenses incurred under agreements with CROs, investigative sites, consultants and other third parties to perform research services, and conduct and support preclinical studies, toxicology and clinical trials;
- laboratory supplies; and
- costs related to manufacturing drug candidates for preclinical studies and clinical trials.

Internal:

- personnel and related expenses, including salaries, bonuses, payroll taxes and employee benefits for personnel involved in research and development efforts; and
- facilities and other expenses, including direct and allocated expenses for rent, maintenance of facilities, insurance, equipment, depreciation and other supplies and services.

Candid does not track its internal research and development expenses on a program-by-program basis because these expenses are deployed across multiple programs.

Candid anticipates that its research and development expenses will increase substantially for the foreseeable future as it continues the development of cizutamig, CND261, CND319 and CND460, as well as the discovery of and development of new drug candidates. Candid cannot determine with certainty the timing of initiation, the duration or the completion costs of current or future preclinical studies and clinical trials of cizutamig, CND261, CND319 and CND460, its current development candidates, or any future drug candidates due to the inherently unpredictable nature of preclinical and clinical development. Preclinical and clinical development timelines, the probability of success and development costs can differ materially from expectations. Candid anticipates that it will make determinations as to which drug candidates and indications to pursue and how much funding to direct to each drug candidate and indication on an ongoing basis in response to the results of ongoing and future preclinical studies and clinical trials, regulatory developments, and its ongoing assessments as to each drug candidate's commercial potential. In addition, Candid cannot forecast which drug candidates, if any, may be subject to future collaborations, when such arrangements will be secured, if at all, and to what degree such arrangements would affect its development plans and capital requirements.

Candid's development costs may vary significantly based on factors such as:

- per patient trial costs;
- the number of indications Candid pursues for its drug candidates;
- the number of trials required for approval;
- the number and scope of preclinical and IND-enabling studies;
- the number of sites included in the trials;
- the countries in which the trials are conducted;
- the length of time required to enroll eligible patients;
- the number of patients that participate in the trials;
- the number of doses that patients receive;
- the choice of comparator arms in the clinical trials;
- the drop-out or discontinuation rates of patients;

- potential alterations in the clinical development plan, including if additional safety monitoring is requested by regulatory authorities;
- the duration of patient participation in the trials and follow-up;
- the phase of development of a drug candidate;
- the timing, receipt and terms of approvals from applicable regulatory authorities, if any;
- the efficacy and safety profile of a drug candidate;
- the cost of manufacturing; and
- the extent to which Candid establishes additional collaboration, license or other arrangements.
- A change in the outcome of any of these variables with respect to the development of Candid's drug candidates may significantly impact the costs and timing associated with the development of those candidates.

In-Process Research and Development

Intangible assets that are acquired in an asset acquisition for use in research and development activities that have an alternative future use are capitalized as IPR&D. Acquired IPR&D that has no alternative future use is expensed immediately. IPR&D is related to assets acquired by the Predecessors in connection with certain license and collaboration agreements, assets acquired in the 2024 Merger and subsequent milestone payments made in connection with the license and collaboration agreements assumed in the 2024 Merger, and assets acquired in connection with certain early-stage research licenses entered into subsequent to the 2024 Merger.

General and Administrative

General and administrative expenses primarily consist of personnel and related expenses, including salaries, bonuses, payroll taxes and employee benefits, for personnel in executive, finance and other administrative functions. Other significant costs include legal fees relating to intellectual property and corporate matters, professional fees for accounting and consulting services, insurance and facilities and related costs. Candid anticipates that its general and administrative expenses will increase substantially for the foreseeable future to support its continued research and development activities and, if any of its drug candidates receive marketing approval, commercialization activities. Candid also anticipates increased expenses related to accounting, audit, legal, regulatory and tax-related services, costs associated with maintaining compliance with exchange listing and SEC requirements, director and officer insurance premiums, and investor relations and other costs associated with operating as a public company.

Other Income (Expense), Net

Other income (expense), net consists of (i) interest income, (ii) interest expense, (iii) change in fair value of convertible promissory note—related party, and (iv) other expense—related party.

Interest Income

Interest income primarily consists of interest income from cash and cash equivalents and short-term investments.

Interest Expense

Interest expense primarily consists of interest expense related to promissory notes Candid issued in June 2024 that were settled or repaid in August 2024.

Change in Fair Value of Convertible Promissory Note—Related Party

The change in fair value of convertible promissory note—related party represents the change in fair value of a convertible promissory note, for which Candid elected the fair value option, between the June 2024 issuance date and August 2024 settlement in connection with its Series B convertible preferred stock financing.

Other Expense—Related Party (Applicable to TRC Only)

Other expense—related party consists of discounts on Candid Common Stock issuances to related party investors.

Results of Operations for Candid
Comparison of the Year Ended December 31, 2025 and the Period from May 1, 2024 (Inception) to December 31, 2024

The following table summarizes Candid's results of operations for the periods indicated:

(in thousands)	YEAR ENDED DECEMBER 31, 2025	PERIOD FROM MAY 1, 2024 (INCEPTION) TO DECEMBER 31, 2024	CHANGE
Operating expenses:			
Research and development	\$ 62,240	\$ 14,095	\$ 48,145
In-process research and development (includes related party amounts of \$0 and \$153,502, respectively)	31,300	162,027	(130,727)
General and administrative	8,715	3,073	5,642
Total operating expenses	102,255	179,195	(76,940)
Loss from operations	(102,255)	(179,195)	76,940
Other income (expense), net:			
Interest income	10,022	5,119	4,903
Interest expense	—	(23)	23
Change in fair value of convertible promissory note—related party	—	(207)	207
Other expense	(2)	—	(2)
Total other income (expense), net	10,020	4,889	5,131
Net loss and comprehensive loss	<u>\$ (92,235)</u>	<u>\$ (174,306)</u>	<u>\$ 82,071</u>

The following table summarizes Candid's research and development expenses for the periods indicated:

(in thousands)	YEAR ENDED DECEMBER 31, 2025	PERIOD FROM MAY 1, 2024 (INCEPTION) TO DECEMBER 31, 2024	CHANGE
External expenses:			
Cizutamig	\$ 11,390	\$ 4,768	\$ 6,622
CND261	12,224	2,469	9,755
Preclinical and indirect program expenses	21,498	2,574	18,924
Total external expenses	45,112	9,811	35,301
Internal expenses:			
Personnel and related	12,340	3,566	8,774
Stock-based compensation	2,266	202	2,064
Facilities and other	2,522	516	2,006
Total internal expenses	17,128	4,284	12,844
Total research and development expenses	<u>\$ 62,240</u>	<u>\$ 14,095</u>	<u>\$ 48,145</u>

Research and Development

Research and development expenses were \$62.2 million and \$14.1 million for the year ended December 31, 2025 and the period from May 1, 2024 (inception) to December 31, 2024, respectively. The increase of \$48.1 million was primarily driven by an increase in external expenses of \$35.3 million and an increase in internal expenses of \$12.8 million. The increase of \$35.3 million in external expenses was primarily driven by an increase of \$6.6 million related to the clinical development of cizutamig for autoantibody driven autoimmune diseases, \$9.8 million related to the clinical development of CND261 for autoimmune diseases, and \$18.9 million in preclinical and indirect program expenses, including increases in the manufacturing of drug candidates for Candid's preclinical programs, toxicology, third-party research activities and laboratory supplies. The increase of \$12.8 million in internal expenses was primarily driven by an \$8.8 million increase in personnel and related expenses, an increase of \$2.1 million in stock-based compensation and an increase of \$1.9 million in facilities and other expenses.

In-Process Research and Development

In-process research and development expenses were \$31.3 million and \$162.0 million for the year ended December 31, 2025 and the period from May 1, 2024 (inception) to December 31, 2024, respectively. In-process research and development expenses primarily consisted of the costs to acquire rights to IPR&D assets received in connection with Candid's: (i) 2024 Merger with Vignette and TRC, (ii) license agreement with WuXi Biologics, (iii) various early-stage research licenses, and (iv) milestone payments related to various license and collaboration agreements, as these assets had not yet reached technological feasibility and had no alternative future use.

General and Administrative

General and administrative expenses were \$8.7 million and \$3.1 million for the year ended December 31, 2025 and the period from May 1, 2024 (inception) to December 31, 2024, respectively. The increase of \$5.6 million was due primarily to \$2.6 million of consulting and professional services including legal fees relating to intellectual property and corporate matters, audit and tax fees, and other consulting services, \$2.3 million of personnel and related expenses, \$0.6 million of stock-based compensation, and \$0.1 million of other general and administrative expenses.

Other Income (Expense), Net

Other income (expense), net was \$10.0 million and \$4.9 million for the year ended December 31, 2025 and the period from May 1, 2024 (inception) to December 31, 2024, respectively. In 2025, other income (expense), net primarily consisted of \$10.0 million of interest income on Candid's cash, cash equivalents and short-term investments. In 2024, other income (expense), net primarily consisted of \$5.1 million of interest income on Candid's cash and cash equivalents, partially offset by a \$0.2 million change in the fair value of a convertible promissory note.

Results of Operations for Vignette

Period from January 1, 2024 to August 19, 2024

The following table summarizes results of operations for Vignette for the period indicated:

	PERIOD FROM JANUARY 1, 2024 TO AUGUST 19, 2024
(in thousands)	
Operating expenses:	
Research and development	\$ 18
In-process research and development	60,000
General and administrative	598
Total operating expenses	60,616
Net loss and comprehensive loss	\$ (60,616)

Research and Development

Research and development expenses consisted of various consulting services during the period.

In-Process Research and Development

In-process research and development expenses were \$60.0 million for the period from January 1, 2024 to August 19, 2024, which consisted of \$30.0 million of cash consideration, and \$30.0 million in common stock as consideration paid to acquire IPR&D assets received in connection with a license and collaboration agreement, as these assets had not yet reached technological feasibility and had no alternative future use.

General and Administrative

General and administrative expenses were \$0.6 million for the period from January 1, 2024 to August 19, 2024 which consisted primarily of consulting and professional services including legal fees relating to intellectual property and corporate matters, and other consulting services.

Results of Operations for TRC

Period from January 1, 2024 to August 19, 2024

The following table summarizes TRC's results of operations for the period indicated:

	PERIOD FROM JANUARY 1, 2024 TO AUGUST 19, 2024
(in thousands)	
Operating expenses:	
Research and development	\$ 87
In-process research and development	23,529
General and administrative (includes related party amount of \$910)	1,375
Total operating expenses	24,991
Loss from operations	(24,991)
Other income (expense), net:	
Interest income	5
Interest expense—related party	(1)
Other expense—related party	(14,495)
Total other income (expense), net	(14,491)
Net loss and comprehensive loss	\$ (39,482)

Research and Development

Research and development expenses were \$0.1 million for the period from January 1, 2024 to August 19, 2024 and consisted primarily of expenses related to the preclinical development of CND261 (formerly known as GB261).

In-Process Research and Development

In-process research and development expenses were \$23.5 million for the period from January 1, 2024 to August 19, 2024, which consisted of \$16.0 million of cash consideration and \$7.5 million in common stock as consideration paid to acquire IPR&D assets received in connection with a license agreement, as these assets had not yet reached technological feasibility and had no alternative future use.

General and Administrative

General and administrative expenses were \$1.4 million for the period from January 1, 2024 to August 19, 2024 which consisted primarily of consulting and professional services including legal fees relating to intellectual property and corporate matters, and other consulting services.

Other Income (Expense), Net

Other income (expense), net of \$14.5 million for the period from January 1, 2024 to August 19, 2024 consisted primarily of \$14.5 million of other expense—related party in connection with the issuance of common stock to related party investors at a discount.

Liquidity and Capital Resources

Sources of Liquidity for Candid

Since Candid's inception, it has funded its operations primarily through the issuance of shares of its convertible preferred stock, the issuance of shares of its capital stock in connection with the 2024 Merger, and interest income on its investment portfolio. To date, in addition to the net cash it received in the 2024 Merger and interest income, Candid has received gross proceeds of approximately \$206.2 million from the sale of shares of its convertible preferred stock (including cash proceeds from convertible debt converted in the financing).

Candid has incurred net losses and negative cash flows from operations since its inception and anticipates it will continue to incur net losses for the foreseeable future.

Cash Flows for Candid

The following table summarizes Candid's net cash flow activity for the periods indicated:

	YEAR ENDED DECEMBER 31, 2025	PERIOD FROM MAY 1, 2024 (INCEPTION) TO DECEMBER 31, 2024
(in thousands)		
Net cash provided by (used in):		
Operating activities	\$ (56,563)	\$ (9,271)
Investing activities	2,030	(120,935)
Financing activities	17	205,598
Net increase (decrease) in cash, cash equivalents and restricted cash	<u>\$ (54,516)</u>	<u>\$ 75,392</u>

Operating Activities

Net cash used in operating activities for the year ended December 31, 2025 was \$56.6 million as compared to \$9.3 million for the period from May 1, 2024 (inception) to December 31, 2024. The net cash used in operating activities for the year ended December 31, 2025 was primarily due to Candid's net loss of \$92.2 million and \$5.3 million of net accretion of discounts on investments, offset in part by \$31.3 million of adjustments related to acquired IPR&D and related milestone payments, \$3.1 million of stock-based compensation, \$1.6 million related to the write-off of deferred offering costs and a \$4.9 million change in operating assets and liabilities in support of the growth in Candid's operations. The net cash used in operating activities for the period from May 1, 2024 (inception) to December 31, 2024 was primarily due to Candid's net loss of \$174.3 million and \$1.2 million of net accretion of discounts on investments, offset in part by \$162.0 million of adjustments related to acquired IPR&D and related milestone payments, \$0.4 million of stock-based compensation, \$0.2 million of change in fair value of a convertible promissory note and a \$3.6 million change in operating assets and liabilities, primarily driven by the net increase in operating liabilities in support of the growth in Candid's operations.

Investing Activities

Net cash provided by investing activities for the year ended December 31, 2025 was \$2.0 million as compared to net cash used in investing activities of \$120.9 million for the period from May 1, 2024 (inception) to December 31, 2024. The net cash provided by investing activities for the year ended December 31, 2025 was primarily due to net maturity of investment securities of \$33.3 million, offset in part by \$31.3 million of cash paid for IPR&D. The net cash used in investing activities for the period from May 1, 2024 (inception) to December 31, 2024 was primarily due to the purchase of \$228.7 million of investment securities, \$8.5 million of cash paid for IPR&D, and \$0.2 million for the purchase of property and equipment, offset in part by the \$116.5 million of net cash Candid acquired in the 2024 Merger.

Financing Activities

Net cash provided by financing activities for the year ended December 31, 2025 was \$17,000 as compared to \$205.6 million for the period from May 1, 2024 (inception) to December 31, 2024. The net cash provided by financing activities for the year ended December 31, 2025 was primarily due to \$0.1 million of proceeds from the exercise of common stock options, offset in part by the payment of \$0.1 million of initial public offering costs. The net cash provided by financing activities for the period from May 1, 2024 (inception) to December 31, 2024 was primarily due to \$205.5 million of net proceeds from the sale of shares of Candid's convertible preferred stock, \$0.4 million of proceeds from the exercise of common stock options, and \$0.2 million of proceeds from the issuance of a convertible promissory note, offset in part by the payment of \$0.5 million of initial public offering costs. Candid also issued and repaid a \$3.0 million promissory note during the period.

Cash Flows for Vignette

The following table summarizes Vignette's net cash flow activity for the period indicated:

	PERIOD FROM JANUARY 1, 2024 TO AUGUST 19, 2024
(in thousands)	
Net cash provided by (used in):	
Operating activities	\$ (1,355)
Investing activities	(30,000)
Financing activities	74,839
Net increase in cash	<u>\$ 43,484</u>

Operating Activities

Net cash used in operating activities for the period from January 1, 2024 to August 19, 2024 of \$1.4 million was primarily due to Vignette's net loss of \$60.6 million and a \$0.7 million change in operating assets and liabilities, partially offset by \$60.0 million of adjustments related to the IPR&D Vignette acquired in connection with a license and collaboration agreement.

Investing Activities

Net cash used in investing activities for the period from January 1, 2024 to August 19, 2024 of \$30.0 million was due to the \$30.0 million cash payment in connection with a license and collaboration agreement.

Financing Activities

Net cash provided by financing activities for the period from January 1, 2024 to August 19, 2024 of \$74.8 million was primarily due to \$74.6 million of net proceeds from the sale of shares of Vignette's convertible preferred stock and \$0.3 million of proceeds from the issuance of debt.

Cash Flows for TRC

The following table summarizes TRC's net cash flow activity for the period indicated:

	PERIOD FROM JANUARY 1, 2024 TO AUGUST 19, 2024
(in thousands)	
Net cash provided by (used in):	
Operating activities	\$ (1,485)
Investing activities	(16,000)
Financing activities	90,882
Net increase in cash	<u>\$ 73,397</u>

Operating Activities

Net cash used in operating activities for the period from January 1, 2024 to August 19, 2024 of \$1.5 million was primarily due to TRC's net loss of \$39.5 million, partially offset by \$23.5 million of adjustments related to the IPR&D TRC acquired in connection with a license and collaboration agreement and the \$14.5 million discount on common stock issuances to related party investors.

Investing Activities

Net cash used in investing activities for the period from January 1, 2024 to August 19, 2024 of \$16.0 million was due to the \$16.0 million cash payment in connection with a license and collaboration agreement.

Financing Activities

Net cash provided by financing activities for the period from January 1, 2024 to August 19, 2024 of \$90.9 million was primarily due to \$89.6 million of net proceeds from the sale of shares of TRC's convertible preferred stock, \$1.0 million of net proceeds from the sale of shares of common stock and \$0.3 million of proceeds from the issuance of debt.

Funding requirements

As of December 31, 2025, Candid had cash, cash equivalents and short-term investments of \$223.3 million. Based on its current operating plan, Candid estimates that its existing cash, cash equivalents and short-term investments as of the date of this proxy statement/prospectus, together with the estimated net proceeds from the 2024 Merger and the Concurrent Financing, will be sufficient to fund Candid's operating expenses and capital expenditures through 2030. However, Candid's forecast of the period of time through which its financial resources will be adequate to support its operations is a forward-looking statement that involves risks and uncertainties, and actual results could differ materially. Candid has based this estimate on assumptions that may prove to be wrong, and Candid could use its capital resources sooner than it currently expects, requiring it to seek additional funds sooner than planned. Candid may also decide to raise capital opportunistically. Additionally, the process of testing drug candidates in clinical trials is costly, and the timing of progress and costs to conduct these trials is uncertain.

Candid's future capital requirements will depend on many factors, including but not limited to:

- the number, scope, rate of progress and costs of its planned clinical trials for cizutamig, CND261, CND319, CND460 and drug discovery and preclinical development activities for any future drug candidates;
- the number and scope of clinical programs it decides to pursue;
- the scope and costs of manufacturing development for any of its current or future drug candidates, including commercial manufacturing at scale, if any drug candidate receives marketing approval, including as a result of inflation or any supply chain issues;
- the costs associated with hiring additional personnel and consultants as its business grows, including additional research and development personnel;
- the cost, timing and outcome of regulatory review of cizutamig, CND261, CND319, CND460 and any future drug candidates;
- the costs of preparing, filing and prosecuting patent applications, maintaining and enforcing its intellectual property rights and defending intellectual property-related claims;
- the terms and timing of establishing and maintaining collaborations, licenses and other similar arrangements;
- the timing of any milestone and royalty payments to its existing or future suppliers, collaborators or licensors;
- the costs associated with enhancing its operational systems and being a public company;
- the extent to which it acquires or in-licenses other drug candidates and technologies; and
- the costs associated with commercializing cizutamig, CND261, CND319, CND460 or any future drug candidates, if they receive marketing approval.

Until such time, if ever, as Candid can generate substantial revenue to support its cost structure, Candid expects to finance its cash needs through public or private equity or debt financings, or other sources, potentially including collaborations and other strategic arrangements with third parties. To the extent that Candid raises additional capital

through the sale of equity or convertible debt securities, the ownership interest of its stockholders could be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect the rights of Candid's common stockholders. Debt financing and equity financing, if available, may involve agreements that include covenants limiting or restricting Candid's ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends. If Candid raises funds through collaborations, or other similar arrangements with third parties, it may have to relinquish valuable rights to its technologies, future revenue streams, research programs or drug candidates or grant licenses on terms that may not be favorable to it and/or may reduce the value of its common stock. If Candid is unable to raise additional funds through equity or debt financings on acceptable terms when needed, it may be required to delay, limit, reduce or terminate its drug development or future commercialization efforts or grant rights to develop and market cizutamig, CND261, CND319, CND460 or any future drug candidates even if it would otherwise prefer to develop and market such drug candidates ourselves.

Contractual Obligations and Commitments

Candid's operating lease obligations relate to its office space for its headquarters located in San Diego, California, as well as office space in Shanghai, China.

Under its license and collaboration agreements, Candid has payment obligations that are contingent upon future events, such as the achievement of specified development, regulatory and commercial milestones, and Candid is required to make royalty payments in connection with the sales of products developed under those agreements.

Although Candid could be required to make substantial milestone payments under its license and collaboration agreements as of December 31, 2025, it is unable to estimate the timing or likelihood of achieving the milestones or making future product sales. For additional details regarding these agreements, see the section titled "*Candid's Business—License and Collaboration Agreements.*"

Candid has entered into, or may enter into in the future, contracts in the normal course of business with clinical trial sites and clinical supply manufacturers and with vendors for preclinical studies and clinical trials, research supplies and other services and drugs for operating purposes. These contracts generally provide for termination after a notice period, and, therefore, are cancelable contracts.

For additional information regarding Candid's contractual obligations and commitments, see Note 4 and Note 6 to Candid's consolidated financial statements included elsewhere in this proxy statement/prospectus.

Off-Balance Sheet Arrangements

Candid did not have, during the periods presented, and does not currently have any off-balance sheet arrangements, as defined in the rules and regulations of the Securities and Exchange Commission. The Predecessors did not have any off-balance sheet arrangements during the period presented.

Critical Accounting Policies and Estimates

This management's discussion and analysis of financial condition and results of operations is based on the financial statements of Candid, Vignette and TRC, which have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). The preparation of these consolidated financial statements requires estimates and judgments that affect the reported amounts of assets, liabilities and expenses and the disclosure of contingent assets and liabilities in the consolidated financial statements. On an ongoing basis, evaluations of estimates and judgments are performed, including those related to accrued research and development expenses and various fair value measurements. The estimates are based on historical experience, known trends and events, and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

While Candid's significant accounting policies are described in more detail in Note 2 to its consolidated financial statements appearing elsewhere in this proxy statement/prospectus, Candid believes the following accounting policies and estimates to be most critical to the preparation of its consolidated financial statements. The significant accounting policies of the Predecessors are described in more detail in Note 1 to their financial statements appearing elsewhere in this proxy statement/prospectus.

The critical accounting policies and estimates of Vignette and TRC are substantially the same as those of Candid, except as noted below related to the valuation of capital stock. The Predecessors had no material accrued research and development expenses.

Accrued research and development expenses

As part of the process of preparing Candid's consolidated financial statements, Candid is required to estimate its accrued expenses as of each balance sheet date. This process involves reviewing open contracts and purchase orders, communicating with its personnel to identify services that have been performed on its behalf and estimating the level of service performed and the associated cost incurred for the service when it has not yet been invoiced or otherwise notified of the actual cost. Candid makes estimates of its accrued expenses as of each balance sheet date based on facts and circumstances known to it at that time. Candid periodically confirms the accuracy of its estimates with the service providers and, if necessary, makes adjustments. The significant estimates in its accrued research and development expenses includes the costs incurred for services performed by its vendors in connection with research and development activities for which Candid has not yet been invoiced. Candid bases its expenses related to research and development activities on its estimates of the services received and efforts expended pursuant to quotes and contracts with vendors that conduct research and development on its behalf. The financial terms of these agreements are subject to negotiation, vary from contract to contract and may result in uneven payment flows. There may be instances in which payments made to its vendors will exceed the level of services provided and result in a prepayment of the research and development expense. In accruing service fees, Candid estimates the time period over which services will be performed and the level of effort to be expended in each period. If the actual timing of the performance of services or the level of effort varies from its estimate, Candid adjusts the accrual or prepaid expense accordingly. Advance payments for goods and services that will be used in future research and development activities are expensed when the activity has been performed or when the goods have been received rather than when the payment is made.

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

Business Combinations and Asset Acquisitions

Acquisitions of assets or a group of assets that do not meet the definition of a business are accounted for as asset acquisitions, with a cost accumulation model used to determine the cost of the acquisition. For an asset acquisition, the fair value of acquisition consideration is allocated to the identifiable assets acquired and liabilities assumed at cost on a relative fair value basis. If a single asset is acquired, the entire cost is attributed to the acquired asset. In addition, for such asset acquisitions, no goodwill is recognized, acquisition-related costs are capitalized, and any associated contingent consideration is recorded when the underlying contingencies have been resolved. Common stock and preferred stock issued as consideration in an acquisition of assets are measured based on the acquisition date fair value of the equity interests. Intangible assets that are acquired in an asset acquisition for use in research and development activities that have an alternative future use are capitalized as IPR&D. Acquired IPR&D that has no alternative future use is expensed immediately.

Stock-based Compensation Expense

Candid measures its stock-based awards based on the estimated grant date fair value of the awards. For stock-based awards with only service conditions, compensation expense is recognized over the requisite service period using the straight-line method. For stock-based awards that include performance conditions, compensation expense is not recognized until the performance condition is probable to occur. Candid estimates the fair value of restricted common stock based on the fair value of the underlying common stock and the fair value of stock options using the Black-Scholes option pricing model and recognizes forfeitures of stock-based awards as they occur. Estimating the fair value of equity awards as of the grant date using valuation models, such as the Black-Scholes option pricing model, is affected by assumptions regarding a number of variables, including the risk-free interest rate, the expected stock price volatility, the expected term of stock options, the expected dividend yield and the fair value of the underlying common stock on the date of grant. Changes in the assumptions can materially affect the fair value and ultimately how much stock-based compensation expense is recognized. See Note 8 to Candid's consolidated

financial statements included elsewhere in this proxy statement/prospectus for information concerning certain of the specific assumptions Candid used in applying the Black-Scholes option pricing model to determine the estimated fair value of its stock options granted for the period from May 1, 2024 (inception) to December 31, 2024 and the year ended December 31, 2025. As of December 31, 2025, the total unrecognized stock-based compensation expense for outstanding performance-based options was \$4.3 million. As of December 31, 2025, total unrecognized stock-based compensation expense (excluding performance-based options) was \$6.1 million, which is expected to be recognized over a remaining weighted-average period of approximately 2.6 years.

Neither Vignette nor TRC had stock-based compensation expense during the periods presented for those entities.

Fair Value of Capital Stock

The fair value of the capital stock issued in the transactions described below was determined using methodologies, approaches and assumptions consistent with the American Institute of Certified Public Accountants Accounting and Valuation Guide: *Valuation of Privately Held Company Equity Securities Issued as Compensation* (the Practice Aid). The Practice Aid prescribes several valuation approaches for setting the value of an enterprise, such as the cost, income and market approaches, and various methodologies for allocating the value of an enterprise to its capital stock. The cost approach establishes the value of an enterprise based on the cost of reproducing or replacing the property less depreciation and functional or economic obsolescence, if present. The income approach establishes the value of an enterprise based on the present value of future cash flows that are reasonably reflective of our company's future operations, discounting to the present value with an appropriate risk adjusted discount rate or capitalization rate. The market approach is based on the assumption that the value of an asset is equal to the value of a substitute asset with the same characteristics. Each valuation methodology was considered in each of the following valuations.

TRC

In July and August 2024, TRC issued common stock in connection with a license agreement and various sales of common stock. After considering TRC's Series A preferred stock financing with new and existing investors in August 2024, and the potential of a merger and acquisition ("M&A") transaction, TRC concluded a hybrid method utilizing both M&A and alternative exit scenarios was most appropriate. The hybrid method is useful when certain discrete future outcomes can be predicted, but also accounts for uncertainty regarding the timing or likelihood of specific alternative exit events. The equity value in the M&A scenario was determined using the fully diluted backsolve method, which assumes the undiscounted fair value of all shares the company are equal to the most recent round of financing on a fully diluted basis. The equity value in the alternative exit scenario was determined using the backsolve method that considers the rights and preferences of each class of equity and solving for the total market value of invested capital that is consistent with a recent transaction in the company's own securities. The equity value in the alternative exit scenario was allocated using the option pricing method, whereby shares are valued by creating a series of call options with exercise prices based on the liquidation preferences and conversion terms of each equity class. The values of the preferred and common stock are inferred by analyzing these options.

Candid

In August 2024, in connection with the 2024 Merger described above, Candid issued capital stock as consideration in the transaction. After considering Candid's Series B preferred stock financing in August 2024 with new investors, and a potential initial public offering ("IPO"), Candid concluded a hybrid method utilizing both IPO and alternative exit scenarios was most appropriate. The hybrid method is useful when certain discrete future outcomes can be predicted, but also accounts for uncertainty regarding the timing or likelihood of specific alternative exit events. The equity value in the IPO scenario was determined using the fully diluted backsolve method, which assumes that all shares in Candid are equal to the most recent round of financing on a fully diluted basis. The equity value in the alternative exit scenario was determined using the backsolve method that considers the rights and preferences of each class of equity and solving for the total market value of invested capital that is consistent with a recent transaction in Candid's own securities, considering the rights and preferences of each class of equity. The equity value in the alternative exit scenario was allocated using the option pricing method, whereby shares are valued by creating a series of call options with exercise prices based on the liquidation preferences and conversion terms of each equity class. The values of the preferred and common stock are inferred by analyzing these options.

Determination of the fair value of common stock underlying stock-based awards

Candid is required to estimate the fair value of the common stock underlying its stock-based awards when performing fair value calculations. The fair value of the common stock underlying its stock-based awards was

determined on each grant date by its board of directors, taking into account input from management and independent third-party valuation analyses. All options to purchase shares of its common stock are intended to be granted with an exercise price per share no less than the fair value per share of its common stock underlying those options on the date of grant, based on the information known to it on the date of grant. In the absence of a public trading market for its common stock, on each grant date Candid developed an estimate of the fair value of its common stock in order to determine an exercise price for the option grants. As noted above, Candid's determinations of the fair value of its common stock were made using methodologies, approaches and assumptions consistent with the Practice Aid.

In addition to considering the results of independent third-party valuations, our board of directors considered various objective and subjective factors, along with input from management, to determine the fair value of our common stock as of each grant date, including:

- the prices of Candid's convertible preferred stock sold to investors in arm's length transactions and the rights, preferences and privileges of our convertible preferred stock relative to those of Candid's common stock;
- Candid's stage of development and business strategy and the material risks related to its business and industry;
- the progress of Candid's research and development programs, including the status of preclinical studies and clinical trials for Candid's drug candidates;
- Candid's results of operations and financial position, including its levels of available capital resources;
- the valuation of publicly traded companies in the life sciences and biotechnology sectors, as well as recently completed mergers and acquisitions of peer companies;
- the lack of marketability of Candid's common stock as a private company;
- the likelihood of achieving a liquidity event for the holders of Candid's common stock, such as an initial public offering or a sale of the company, given prevailing market conditions;
- trends and developments in Candid's industry;
- external market conditions affecting the life sciences and biotechnology industry sectors; and
- the economy in general.

The fair value of the common stock underlying Candid's stock-based awards for options granted or modified from October 2, 2024 (Candid's first option grant date) through May 4, 2025 was determined utilizing the model described above in connection with the 2024 Merger. To determine the fair value of the common stock underlying its stock-based awards for options granted or modified from May 5, 2025 through December 31, 2025, Candid continued to use a hybrid method utilizing both IPO and alternative exit scenarios. The methods used to determine the equity value in both the IPO scenario and alternative exit scenario were updated to reflect the time elapsed since its last sale of equity securities to third-party investors. As a result, the equity value in the IPO scenario was updated to use the guideline public company method, and the equity value in the alternative exit scenario was updated to use an adjusted enterprise value. To determine the adjusted enterprise value, the equity value used in the previous backsolve model was modified to reflect subsequent changes in the market environment and return on productive expenses since the equity financing that was the basis for the previous backsolve model. The equity value in the IPO scenario continued to be allocated to each class of shares using the fully-diluted shares outstanding and the equity value in the alternative exit scenario continued to be allocated using the option pricing method.

On May 5, 2025, Candid repriced 5,595,000 options to purchase shares of its common stock to lower the exercise price. The modification resulted in an increase of \$0.3 million in the fair value of the repriced stock options. There were no vested options at the modification date and, as such, the incremental fair value will be recognized over the remaining requisite service period of the awards.

Retrospective reassessment of the fair value of our common stock for financial reporting purposes

As part of the preparation of the consolidated financial statements necessary for inclusion in this proxy statement/prospectus, Candid reassessed for financial reporting purposes, on a retrospective basis, the fair value of its common stock for each stock option granted or modified. For purposes of this reassessment, Candid evaluated its original

inputs and the methodologies used to determine its enterprise value, the methods it used to allocate enterprise value and the timing of those valuations. Candid utilized the reassessed fair values to determine the stock-based compensation expense which is recorded in its consolidated financial statements.

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

Following the completion of the Merger, the fair value of the Combined Company's common stock will be based on the closing price as reported on the date of grant on the primary stock exchange on which the Combined Company's common stock is traded.

Recent Accounting Pronouncements

See Note 2 to Candid's consolidated financial statements appearing elsewhere in this proxy statement/prospectus for information about recent account pronouncements, the timing of their adoption, and its assessment, if any, of their potential impact on Candid's financial condition and results of operations.

Quantitative and Qualitative Disclosures About Market Risk

Interest Rate Risk

Candid's cash, cash equivalents and short-term investments consist of cash held in readily available checking and money market funds, as well as high-quality U.S. treasury securities and corporate debt securities. The primary objectives of Candid's investment activities are to preserve principal, provide liquidity and maximize income without significantly increasing risk. Candid's primary exposure to market risk is interest rate sensitivity, which is affected by changes in the general level of United States interest rates. However, due to the nature of the cash, cash equivalents, and short-term investments, Candid does not believe that a hypothetical 10% change in interest rates during any of the period presented would have had a material effect on Candid's consolidated financial statements included elsewhere in this proxy statement/prospectus.

Effects of Inflation

Inflation generally affects Candid by increasing its cost of labor and research and development costs. Candid does not believe that inflation had a material effect on its business, results of operations, or financial condition, or on its consolidated financial statements included elsewhere in this proxy statement/prospectus.

MANAGEMENT FOLLOWING THE MERGER

The following table sets forth information, as of February 28, 2026, regarding the expected directors and executive officers of the combined company immediately following the Closing.

Name	Age	Position(s)
Executive Officers		
Ken Song, M.D.	51	President, Chief Executive Officer and Chairman of the Board of Directors
Tim Lu, M.D., Ph.D.	51	Chief Medical Officer and Chief Scientific Officer
Arvind Kush	43	Chief Financial Officer and Chief Business Officer
Bernie Huyghe, Ph.D.	64	Chief Technology Officer
Non-Employee Directors		
Angie You, Ph.D.	53	Director
Dan Puckett	62	Director
Michael Rome, Ph.D.	41	Director
Aaron Royston, M.D.	41	Director
Jeffrey Tong, Ph.D.	50	Director

Executive Officers

Ken Song, M.D. has served as Candid's President and Chief Executive Officer and Chairman of the Candid Board since May 2024. Since March 2024, Dr. Song has also served as the Executive Chairman of the board of directors of Avert Medical, Inc., a privately-held medical technology company, since March 2024, and a member of the board of directors of Perceptive Capital Solutions Corp since May 2024, a publicly traded special purpose acquisition company. Previously, Dr. Song served as the President, Chief Executive Officer and member of the board of directors of RayzeBio, Inc., a publicly traded biotechnology company until its acquisition by Bristol-Myers Squibb, from July 2020 until February 2024. Dr. Song is also the co-founder and has served as the Chairman of the board of directors of Ablaze Pharmaceuticals Inc., a privately-held clinical-stage pharmaceutical company, since April 2021. From September 2016 until June 2020, Dr. Song served as President, Chief Executive Officer and as a member of the board of directors of Metacrine, Inc., a publicly traded clinical-stage biopharmaceutical company, and from April 2010 until April 2016, Dr. Song served as Chief Executive Officer of Ariosa Diagnostics, a privately-held diagnostics company that he co-founded, which was subsequently acquired by Roche. Dr. Song served as Executive Chairman of the board of directors of Omniome, Inc., a privately-held biotechnology company, from April 2017 until September 2021, which was subsequently acquired by Pacific Biosciences. Dr. Song served as a venture capitalist at Venrock from 2007 until 2010 and a consultant at McKinsey & Company, a management consulting company, from 2000 until 2002. Dr. Song received a B.S. in Biology from Massachusetts Institute of Technology and an M.D. from University of California, San Francisco. Dr. Song trained in internal medicine at the University of California, San Francisco, specialized in gastroenterology and hepatology at the University of Washington and was a scientific research fellow at the Fred Hutchinson Cancer Center. We believe that Dr. Song's experience in the biotechnology industry, including his executive experience and his medical training, qualifies him to serve on the combined company's board of directors.

Tim Lu, M.D., Ph.D. has served as Candid's Chief Medical Officer and Chief Scientific Officer since July 2024. Previously, Dr. Lu served as the Chief Medical Officer at DICE Therapeutics, Inc., a publicly traded biopharmaceutical company until its acquisition by Eli Lilly and Company, from August 2020 until August 2023, and served as Vice President at Eli Lilly from August 2023 until July 2024. Prior to DICE Therapeutics, from October 2012 until July 2020, Dr. Lu held roles of increasing responsibility in clinical development at Genentech, Inc., a commercial-stage biotechnology company, including serving as Senior Medical Director and the Therapeutic Area Lead for inflammatory bowel disease. Prior to Genentech, Dr. Lu was an Assistant Professor of Medicine in the Department of Gastroenterology at the University of California, San Francisco. Dr. Lu received a B.S. in Biology from Yale University and an M.D., Ph.D. degree from the University of Texas Southwestern Medical Center. Dr. Lu trained in internal medicine and completed a gastroenterology fellowship at the University of California, San Francisco. Dr. Lu is a board-certified Gastroenterologist.

Arvind Kush has served as Candid's Chief Financial Officer and Chief Business Officer since July 2024. Since October 2024, Mr. Kush has also served as a member of the board of directors at Inhibikase Therapeutics, Inc., a publicly traded biotechnology company focused on neurodegeneration. Previously, Mr. Kush served as Chief Financial Officer of RayzeBio, from November 2021 until June 2024. Prior to RayzeBio, Mr. Kush served as Managing Director in the Healthcare Group in the Global Corporate Investment Banking Division at BofA Securities, a multinational investment bank and financial services company, from February 2018 until November 2021, advising biopharmaceutical companies on strategic and financing transactions. From July 2008 until January 2018, Mr. Kush served in roles of increasing responsibility in the healthcare investment banking team at BofA Securities and its predecessor companies, serving most recently as a Director in the Healthcare Group in the Global Corporate Investment Banking Division. From January 2004 until June 2006, Mr. Kush served as Software Engineer at Caritor India Pvt. Ltd. (now NTT Data Services). Mr. Kush received a Bachelor in Engineering in Computer Science from Visvesvaraya Technological University in India and an M.B.A. from the Goizueta Business School at Emory University.

Bernie Huyghe, Ph.D. has served as Candid's Chief Technology Officer since July 2024. Since January 2020, Dr. Huyghe has served as a consultant at his consulting company, Huyghe Consulting, LLC. Previously, Dr. Huyghe served as Senior Vice President of Technical Operations at Viridian Therapeutics, Inc., a publicly traded biotechnology company focused on autoimmune and rare diseases, from January 2021 until June 2024. Prior to that, Dr. Huyghe was Vice President in Manufacturing at Nucleus Biologics, LLC, a private biotechnology company in cell and gene therapy, from May 2020 until December 2020. From May 2018 until October 2019, Dr. Huyghe served as Senior Director in External Supply at Allogene Therapeutics, Inc., a clinical-stage public company focused on cancer and autoimmune disease. Dr. Huyghe holds a B.S. in Chemistry from the University of Florida and a Ph.D. in Biophysical Chemistry from the University of California, Berkeley.

Non-Employee Directors

Angie You, Ph.D. has served as a member of the Candid Board since October 2024 and as Candid's Lead Independent Director since November 2024. Dr. You has served as the Chief Executive Officer and a member of the board of directors of Architect Therapeutics, LLC, a biotechnology company, since March 2023, and as a senior advisor to Frasier Healthcare, an investment firm, since February 2022. From April 2022 to May 2023, Dr. You served as advisor to Casdin Capital, LLC, a life sciences investment firm. From December 2018 to January 2022, Dr. You served as Chief Executive Officer and a member of the board of directors of Amunix Pharmaceuticals, Inc., an immuno-oncology company (acquired by Sanofi S.A.). From September 2014 to December 2018, Dr. You served as Chief Business & Strategy Officer and Head of Commercial at Sierra Oncology, Inc., where she helped the company through a successful initial public offering and led the company's strategic and transactional business and commercial efforts. Dr. You has served as a member of the board of directors of ORIC Pharmaceuticals, a publicly traded biotechnology company, since November 2021. From April 2022 to February 2024, Dr. You served on the board of directors of RayzeBio. Dr. You holds an A.B. in Chemistry from Harvard College and a Ph.D. in Biochemistry from Harvard University. We believe Dr. You's public company leadership and drug development and commercial strategy expertise in the biotechnology industry qualify her to serve on the combined company's board of directors.

Dan Puckett has served as a member of the Candid Board since October 2024. From April 2016 until February 2024, Mr. Puckett served as the Chief Financial Officer of Shockwave Medical, Inc., a publicly traded medical device company. Prior to Shockwave Medical, from June 2015 to April 2016, Mr. Puckett served as Chief Financial Officer for Counsyl, Inc., a DNA testing and genetic counseling company. From September 2011 to June 2015, Mr. Puckett served as Chief Financial Officer for Ariosa Diagnostics, Inc., a molecular diagnostics company (acquired by Roche). Prior to Ariosa Diagnostics, Mr. Puckett served as Executive Director, Operations at Cerexa, Inc., a Forest Laboratories, Inc. subsidiary, from April 2009 to September 2011. Prior to Cerexa, Mr. Puckett held senior finance and operations positions at Affymetrix, Inc. and AOL, Inc. Mr. Puckett has served on the board of directors of Averta Medical, Inc. since March 2024 and PROCEPT BioRobotics Corporation since March 2026. Mr. Puckett received a B.A. in Accounting from Washington State University and an M.B.A. from the University of San Francisco. We believe Mr. Puckett's executive and financial experience qualifies him to serve on the combined company's board of directors.

Michael Rome, Ph.D. has served as a member of the Candid Board since August 2024. Dr. Rome has served in various roles at Foresite Capital Management, a healthcare and life sciences investment firm, since 2016, including serving as Managing Director since May 2020. Prior to that, he served as an Analyst at DAFNA Capital Management LLC, a healthcare hedge fund, from September 2015 to July 2016. Dr. Rome also worked in early-stage drug development as a Senior Scientist for Vault Pharma, an academic start-up out of the California NanoSystems Institute at UCLA, from April 2014 to September 2015. Dr. Rome currently serves on the board of directors of multiple private biotechnology companies, including Remix Therapeutics, Inc., RayThera, Inc. and Khartis Therapeutics, Inc. Dr. Rome previously served on the board of directors of Kinnate Biopharma Inc., a publicly traded company (acquired by XOMA Corporation), from June 2016 until April 2024, FS Development Corp. (now Disc Medicine, Inc.), a publicly traded special purpose acquisition company from July 2020 to February 2021, FS Development Corp. II (now Padres Biosciences, Inc.), a publicly traded special purpose acquisition company, from August 2020 to December 2021 and Theseus Pharmaceuticals, Inc., a publicly traded company (acquired by Concentra Biosciences, LLC), from January 2021 to February 2024. Dr. Rome received a B.S. in Molecular, Cellular and Developmental Biology from University of California, Los Angeles and a Ph.D. in Biochemistry, Biophysics and Molecular Biology from the California Institute of Technology. We believe Dr. Rome's extensive experience investing in diverse biotechnology companies and depth of knowledge and substantial experience as a research scientist qualify him to serve on the combined company's board of directors.

Aaron Royston, M.D. has served as a member of the Candid Board since August 2024. Dr. Royston has served in various roles at venBio Partners, a life sciences investment firm, since March 2015, including most recently as Managing Partner since April 2020. Prior to that, Dr. Royston served as a Senior Associate at Vivo Capital, a global life sciences investment firm, from July 2014 until November 2015. Previously, Dr. Royston served as a Consultant at Bain & Company, Inc., a management consulting company, from July 2013 until July 2014, where he advised biotechnology companies on a broad range of strategic and operational issues. From July 2007 until July 2008, Dr. Royston coordinated clinical research at Mount Sinai Medical Center, where his research has been published in medical journals and presented at conferences. Dr. Royston previously served on the board of directors of RayzeBio, from August 2020 until December 2023, Ventyx Biosciences, Inc., a publicly traded biotechnology company, from February 2021 until January 2023, Akero Therapeutics, Inc., a publicly traded biotechnology company, from June 2018 until August 2019, and VYNE Therapeutics Inc. (formerly Menlo Therapeutics Inc.), a publicly traded biotechnology company, from June 2017 until August 2019. Dr. Royston also currently serves on the boards of directors of multiple private biotechnology companies. Dr. Royston received a B.S. in Biological Sciences from Duke University, an M.D. from the University of Pennsylvania and an M.B.A. from the Wharton School of the University of Pennsylvania. We believe that Dr. Royston's extensive clinical and biotechnology industry experience qualifies him to serve on the combined company's board of directors.

Jeffrey Tong, Ph.D. has served as a member of the Candid Board since August 2024. Dr. Tong is a Partner at Third Rock Ventures, a healthcare investment firm, which he joined in May 2016. Earlier in his career, Dr. Tong served as Executive Chairman of the board of directors of Delinia, Inc. (acquired by Celgene Corporation), a privately-held biotechnology company, and President and Chief Executive Officer of Nora Therapeutics, Inc., a privately held biotechnology company. He also served as a member of the management team at Infinity Pharmaceuticals, Inc. and was a member of the healthcare practice at McKinsey and Company. Dr. Tong is currently serving as chairman of the board of Septerna (Nasdaq: SEPN) and has been a board member since 2019. He previously served as a member of the board of directors of Maze Therapeutics (Nasdaq: MAZE) from November 2018 to January 2025, Rapport Therapeutics, Inc (Nasdaq: RAPP) from December 2022 to November 2024, Nurix Therapeutics, Inc (Nasdaq: NRIX) from February 2018 to May 2022, and serves on the boards of multiple private companies. Dr. Tong received an A.B. in Biochemical Sciences from Harvard College, an A.M. in Chemistry and Ph.D. in Chemistry from Harvard University, and an M.M.S. in Medicine from Harvard Medical School. We believe that Dr. Tong's significant experience building and leading successful biotechnology companies and his scientific expertise qualify him to serve on the combined company's board of directors.

Family Relationships

There are no family relationships among any of Candid's current directors and executive officers, and there are no family relationships among any of the combined company's proposed directors and executive officers.

Composition of the Board of Directors Following the Merger

The Rallybio Board is divided into three classes, which staggered structure will remain in place following the Closing. Each class has a three-year term, with one class elected at each annual meeting. Vacancies on the combined company board of directors and newly-created directorships shall be filled exclusively pursuant to a vote of a majority of the directors then in office, even if less than a quorum, or by a sole remaining director, except that any vacancy created by the removal of a director by the stockholders for cause shall be filled, in addition to any other vote otherwise required by law, only by vote of a majority of the outstanding shares of common stock. No decrease in the number of directors constituting the combined company board of directors shall shorten the term of any incumbent director. A director elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office and a director chosen to fill a position resulting from an increase in the number of directors shall hold office until the next election of the class for which such director shall have been chosen, subject to the election and qualification of his or her successor and to his or her earlier death, resignation or removal.

Pursuant to the Merger Agreement, each of the directors and officers of Rallybio shall resign immediately prior to the Effective Time. Following the completion of the Merger, Candid anticipates that the combined company board of directors will consist of six directors, all of whom will be designated by Candid. Candid currently expects that all of its current directors will continue to serve as directors on the combined company board of directors following the Merger.

Independence of the Board of Directors

Nasdaq Rule 5605 requires a majority of a listed company's board of directors to be comprised of independent directors. In addition, Nasdaq requires that, subject to specified exceptions, each member of a listed company's audit, compensation and nominating and corporate governance committees be independent and that audit committee members also satisfy independence criteria set forth in Rule 10A-3 under the Exchange Act. Under Rule 5605(a)(2), a director will only qualify as an "independent director" if, in the opinion of the company, that person does not have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. In order to be considered independent for purposes of Rule 10A-3, a member of an audit committee of a listed company may not, other than in his or her capacity as a member of the audit committee, the board of directors, or any other board committee, accept, directly or indirectly, any consulting, advisory, or other compensatory fee from the listed company or any of its subsidiaries or otherwise be an affiliated person of the listed company or any of its subsidiaries.

Each individual expected to serve on the combined company board of directors upon the completion of the Merger, other than Ken Song, M.D., will qualify as an independent director under the Nasdaq listing standards.

Board Leadership Structure

Candid expects that the combined company board will maintain the flexibility to determine whether the roles of Chair of the combined company board and Chief Executive Officer should be combined or separated, based on what it believes is in the best interests of the combined company at a given point in time. Candid believes that this flexibility is in the best interest of the combined company and that a one-size-fits-all approach to corporate governance, with a mandated independent Chair, would not result in better governance or oversight.

At this time, the Candid believes that Ken Song, M.D., Candid's current President and Chief Executive Officer and the expected President and Chief Executive Officer of the combined company, is best situated to serve as Chair of the combined company board of directors. Dr. Song is highly knowledgeable and has longstanding experience with respect to Candid's business, operations and industry and is expected to have an ongoing executive responsibility for the combined company. Dr. Song is well positioned to identify strategic priorities and lead the combined company's consideration and analysis of such priorities. In addition, Dr. Song offers a robust understanding of risks facing Candid and risks that the combined company will face. In Candid's view, this enables the combined company board of directors to better understand the combined company and work with management to enhance stockholder value. In addition, the Candid believes that this structure will enable the combined company to better fulfill its risk oversight responsibilities and enhances the ability of the President and Chief Executive Officer to effectively communicate the combined company board of director's view to management.

Candid expects that _____ will be appointed as the lead independent director of the combined company to help reinforce the independence of the combined company board of directors as a whole. The position of lead

independent director is expected to be structured to serve as an effective balance to a combined Chief Executive Officer/Chair of the combined company board of directors: the lead independent director will be empowered to, among other duties and responsibilities, preside over board meetings in the absence of the Chair, act as liaison between the Chair and the independent directors, preside over meetings of the independent directors, and consult with the Chair in planning and setting schedules and agendas for board meetings to be held during the year. As a result, Candid believes that the lead independent director will help ensure the effective independent functioning of the combined company board of directors in its oversight responsibilities. In addition, Candid believes that the lead independent director will be better positioned to build a consensus among directors and to serve as a conduit between the other independent directors and the Chair of the combined company board of directors, for example, by facilitating the inclusion on meeting agendas of matters of concern to the independent directors. In light of Dr. Song's extensive history with and knowledge of Candid, and because the combined company board of directors' lead independent director will be empowered to play a significant role in the combined company board of directors' leadership and in reinforcing the independence of the combined company board of directors, Candid believes that it will be advantageous for the combined company to combine the positions of Chief Executive Officer and Chair of the combined company board of directors.

Role of the Board in Risk Oversight

The audit committee of the combined company board of directors is expected to be primarily responsible for overseeing the risk management processes on behalf of its board of directors. Candid expects that the audit committee of the combined company board of directors will receive reports from management periodically regarding the assessment of risks of the combined company. In addition, the audit committee will be expected to report regularly to the combined company board of directors, which will also consider its risk profile. The audit committee and the combined company board of directors will focus on the most significant risks the combined company faces and its general risk management strategies. While the combined company board of directors will oversee the combined company's risk management, management will be responsible for day-to-day risk management processes. The combined company board of directors will expect management to consider risk and risk management in each business decision, to proactively develop and monitor risk management strategies and processes for day-to-day activities and to effectively implement risk management strategies adopted by the audit committee and the combined company board of directors. Candid believe this division of responsibilities will be the most effective approach for addressing the risks the combined company faces and that the combined company board of directors' leadership structure, which also emphasizes the independence of the combined company board of directors in its oversight of its business and affairs, supports this approach.

Committees of the Board of Directors

Audit Committee

Following the completion of the Merger, the members of the combined company's audit committee are expected to be _____ and _____ is expected to serve as the chair of the combined company's audit committee. All members of the audit committee will meet the requirements for financial literacy under the applicable rules and regulations of the SEC and Nasdaq and Mr. Puckett will qualify as an audit committee financial expert as defined under the applicable rules of the SEC and have the requisite financial sophistication as defined under the applicable rules and regulations of Nasdaq. Under the rules of the SEC, members of the audit committee must also meet heightened independence standards. Each proposed member of the audit committee will be independent under the applicable rules of the SEC and Nasdaq. The audit committee will operate under a written charter that will satisfy the applicable standards of the SEC and Nasdaq.

The Rallybio audit committee's responsibilities include:

- appointing, approving the compensation of, and evaluating the qualifications, performance and independence of, our independent registered public accounting firm;
- overseeing the work of Rallybio's independent registered public accounting firm, including through the receipt and consideration of reports from such firm;
- pre-approving all audit and permitted non-audit services to be performed by Rallybio's independent registered public accounting firm;

- reviewing and discussing with management and Rallybio's independent registered public accounting firm our annual and quarterly financial statements and related disclosures, including earnings releases;
- discussing with Rallybio's independent registered public accounting firm critical audit matters and related disclosures;
- reviewing and discussing with management and Rallybio's independent registered public accounting firm any material issues regarding accounting principles and financial statement presentations;
- reviewing disclosures about any significant deficiencies or material weaknesses in Rallybio's internal controls, including disclosures in Rallybio's annual and quarterly reports;
- coordinating the Rallybio Board's oversight of Rallybio's internal control over financial reporting, disclosure controls and procedures, code of business conduct and ethics, procedures for complaints and legal and regulatory matters;
- discussing Rallybio's risk management policies with management;
- reviewing policies regarding hiring employees from Rallybio's independent registered public accounting firm and procedures for the receipt and retention of accounting related complaints and concerns;
- meeting independently with Rallybio's independent registered public accounting firm and management;
- reviewing and approving any related person transactions, in accordance with Rallybio policy;
- overseeing our guidelines and policies governing risk assessment and risk management;
- overseeing the integrity of our information technology systems, process and data;
- preparing the audit committee report required by SEC rules;
- reviewing and assessing, at least annually, the adequacy of the audit committee's charter; and
- performing, at least annually, an evaluation of the performance of the audit committee.

The audit committee of the combined company is generally expected to retain these duties and responsibilities following the completion of the Merger.

Nominating and Corporate Governance Committee

Following the consummation of the Merger, the members of the nominating and corporate governance committee are expected to be _____, and _____ is expected to be the chair of the Nominating and Corporate Governance Committee. The composition of the nominating and corporate governance committee will meet the requirements for independence under, and the functioning of such nominating and corporate governance committee will comply with, any applicable requirements of the rules and regulations of Nasdaq and the SEC.

The Rallybio Nominating and Corporate Governance Committee's responsibilities include:

- identifying individuals qualified to become members of Rallybio's Board consistent with criteria approved by the Rallybio Board and receiving nominations for such qualified individuals;
- recommending to Rallybio's Board the persons to be nominated for election as directors and to each committee of the Rallybio Board;
- considering and, if appropriate, establishing a policy under which Rallybio's stockholders may recommend a candidate to the Nominating and Corporate Governance Committee for consideration for nomination as a director;
- reviewing and recommending committee slates on an annual basis;
- recommending to Rallybio's Board qualified candidates to fill vacancies on Rallybio's Board;
- developing and recommending to Rallybio's Board a set of corporate governance principles applicable to us and reviewing the principles on at least an annual basis;
- reviewing and making recommendations to Rallybio's Board with respect to our board leadership structure and board committee structure;
- reviewing Rallybio's policies and program with respect to significant issues of corporate public responsibility;
- making recommendations to Rallybio's Board processes for annual evaluations of the performance of our Board of Directors and committees of Rallybio's Board;

- overseeing the process for annual evaluations of Rallybio's Board and committees of Rallybio's Board;
- reviewing and reporting to Rallybio's Board any actual or potential conflicts of interest of members of Rallybio's Board;
- providing new director orientation and continuing education for existing directors on a periodic basis;
- overseeing plans for director succession;
- reviewing and assessing, at least annually, the adequacy of the Nominating and Corporate Governance Committee's charter;
- reviewing and overseeing Rallybio's initiatives regarding environmental, social and governance matters, including related risks and opportunities, and Rallybio's public disclosure with respect to such matters; and
- performing, on an annual basis, an evaluation of the performance of the Nominating and Corporate Governance Committee.

The nominating and corporate governance committee of the combined company is generally expected to retain these duties and responsibilities following completion of the Merger.

Compensation Committee

Following the consummation of the Merger, the members of the compensation committee are expected to be _____, _____ and _____. _____ is expected to be the chair of the compensation committee. Each proposed member of the combined company's compensation committee will be independent under the listing standards of Nasdaq, a "non-employee director" as defined in Rule 16b-3 promulgated under the Exchange Act and an "outside director" as defined in Section 162(m) of the Code. The composition of the compensation committee will comply with the applicable requirements of the rules and regulations of Nasdaq and the SEC.

The Rallybio Compensation Committee's responsibilities include:

- reviewing Rallybio's overall management compensation strategy, including base salary, incentive compensation and equity-based grants;
- reviewing and approving corporate goals and objectives relevant to the compensation of Rallybio's chief executive officer and other executive officers;
- recommending to Rallybio's Board the compensation of our chief executive officer and other executive officers;
- reviewing and making recommendations to Rallybio's Board with respect to non-employee director compensation;
- reviewing and administering Rallybio's cash and equity incentive plans;
- reviewing, considering and selecting, to the extent determined to be advisable, a peer group of appropriate companies for purposes of benchmarking and analysis of compensation for Rallybio's executive officers and non-employee directors;
- recommending to Rallybio's Board any stock ownership guidelines for our executive officers and non-employee directors;
- retaining, appointing or obtaining advice of a compensation consultant, legal counsel or other advisor and determining the compensation and independence of such consultant or advisor;
- preparing, if required, the compensation committee report on executive compensation for inclusion in Rallybio's annual report on Form 10-K and our annual proxy statement in accordance with SEC proxy and disclosure rules;
- monitoring Rallybio's compliance with the requirements of Sarbanes-Oxley relating to loans to directors and officers;
- overseeing Rallybio's compliance with applicable SEC rules regarding stockholder approval of certain executive compensation matters;
- reviewing and approving all employment contracts and other compensation, severance and change-in-control arrangements for Rallybio's executive officers;
- establishing and periodically reviewing policies and procedures with respect to perquisites as they relate to our executive officers;

- reviewing the risks associated with Rallybio's compensation policies and practices;
- overseeing and presenting to Rallybio's management's plans for succession to senior management positions based on guidelines developed and recommended by the Compensation Committee to the full Rallybio Board;
- reviewing Rallybio's strategies, initiatives and programs with respect to Rallybio's management of human capital resources;
- reviewing and assessing, at least annually, the adequacy of the Compensation Committee's charter; and
- performing, on an annual basis, an evaluation of the performance of the Compensation Committee.

The compensation committee of the combined company is generally expected to retain these duties and responsibilities following completion of the Merger.

Compensation Committee Interlocks and Insider Participation

Each member of the compensation committee following the Closing will be a "non-employee" director within the meaning of Rule 16b-3 of the rules promulgated under the Exchange Act and independent within the meaning of the independent director guidelines of Nasdaq.

None of the proposed members of the compensation committee is a current or former officer or employee of the Rallybio. During the last completed fiscal year, none of the proposed combined company executive officers served on the board of directors or compensation committee of any other company that has an executive officer serving on the Rallybio Board or compensation committee or the proposed combined company board of directors or proposed compensation committee.

Code of Business Conduct and Ethics

The combined company will maintain a code of business conduct and ethics that applies to all directors, officers and employees, including the combined company's principal executive officer, principal financial officer, principal accounting officer or controller, or person performing similar functions. A copy of the code will be available on the Corporate Governance section of the combined company's website, www.candidrx.com, upon the Closing.

Director Compensation

Rallybio and Candid expect to terminate Rallybio's Non-Employee Director Compensation Policy immediately prior to the Closing. The combined company board of directors will adopt a new non-employee director compensation policy following the Closing.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS OF THE COMBINED COMPANY

In addition to the compensation arrangements, including employment, termination of employment and change in control arrangements, with Rallybio's and Candid's directors and executive officers, including those discussed in the sections titled "*Management Following the Merger*," "*Rallybio Executive Officer and Director Compensation and Corporate Governance*" and "*Candid Executive Officer and Director Compensation*", the following is a description of each transaction involving Rallybio since January 1, 2023, each transaction involving Candid since May 1, 2024 (inception) and each current proposed transaction in which:

- either Rallybio or Candid has been or is to be a participant;
- the amounts involved exceeded or will exceed the lesser of \$120,000 and 1% of the average of Rallybio's or Candid's total assets at year-end for the last two completed fiscal years, as applicable; and
- any of Rallybio's, Candid's or the expected combined company's directors, executive officers or holders of more than 5% the outstanding shares of Rallybio Capital Stock, Candid Capital Stock, or combined company's common stock, or an affiliate or immediate family member of the foregoing persons, had or will have a direct or indirect material interest.

Rallybio Related Party Transactions

Certain Relationships and Transactions

Other than the compensation agreements and other arrangements described under "*Rallybio Executive Officer and Director Compensation and Corporate Governance*" in this proxy statement/prospectus and the transactions described below, since January 1, 2023, there has not been and there is not currently proposed, any transaction or series of similar transactions to which Rallybio was, or will be, a party in which the amount involved exceeded, or will exceed, \$120,000 (or, if less, 1% of the average of Rallybio's total assets amounts at December 31, 2025 and 2024) and in which any director, executive officer, holder of five percent or more of any class of Rallybio's capital stock or any member of the immediate family of, or entities affiliated with, any of the foregoing persons, had, or will have, a direct or indirect material interest.

Director and Officer Indemnification and Insurance

Rallybio has agreed to indemnify each of its directors and executive officers against certain liabilities, costs and expenses, and has purchased directors' and officers' liability insurance. Rallybio also maintains a general liability insurance policy which covers certain liabilities of directors and officers arising out of claims based on acts or omissions in their capacities as directors or officers.

Agreements Related to the Merger

Support Agreements

Concurrently with the execution of the Merger Agreement, certain stockholders of Rallybio holding approximately 24.8% of the outstanding shares of Rallybio Common Stock entered into support agreements with Rallybio and to vote all of their shares of Rallybio Common Stock in favor of (a) the Nasdaq Stock Issuance Proposal, (b) the Reverse Stock Split Proposal, (c) the Name Change Proposal, (d) the Authorized Share Proposal, (e) the 2026 Plan Proposal and (f) the 2026 ESPP Proposal. For additional information regarding the support agreements, see the section titled "*Agreements Related to the Merger—Support Agreements*."

Indemnification Agreements

In connection with Rallybio's initial public offering in August 2021, Rallybio entered into agreements to indemnify its directors and executive officers. These agreements, among other things, require us to indemnify these individuals for certain expenses (including attorneys' fees), judgments, fines and settlement amounts reasonably incurred by such person in any action or proceeding, including any action by or in our right, on account of any services undertaken by such person on our behalf or that person's status as a member of our Board of Directors to the maximum extent allowed under Delaware law.

Candid Related Party Transactions

Agreements Related to the Merger

Support Agreements

Concurrently with the execution of the Merger Agreement, certain officers, directors and stockholders of Candid holding approximately 66.14% of the outstanding shares of Candid Capital Stock as of March 1, 2026 entered into support agreements with Candid in favor of Rallybio, providing among other things, that such officers, directors and stockholders (x) will vote all of their shares of Candid Capital Stock, among other things: (i) in favor of adopting the Merger Agreement and approving the Merger, the other Contemplated Transactions, the Candid Stockholder Matters and the other actions contemplated by the Merger Agreement, (ii) against any proposal made in opposition to, or in competition with, the Merger Agreement or the Merger and (iii) against any acquisition proposal involving a third party and (y) will not solicit or negotiate alternative acquisition proposal or inquiries in their capacities as stockholders of Candid.

Lock-Up Agreements

Concurrently with the execution of the Merger Agreement, certain officers, directors and stockholders of Candid holding approximately 66.21% of the outstanding shares of Candid Capital Stock as of March 1, 2026 entered into lock-up agreements, pursuant to which, subject to specified exceptions, such persons accepted certain restrictions on transfers of the shares of Rallybio Common Stock beneficially held by such persons or such persons' family members (other than shares received as a result of the conversion of shares received in the Concurrent Financing) for the 180-day period following the Effective Time.

Concurrent Financing

Concurrently with entering into the Merger Agreement, Candid entered into the Subscription Agreement with the Investors, pursuant to which, and subject to the terms and conditions therein, Candid agreed to sell, and the Investors agreed to purchase, immediately prior to the Effective Time, shares of Candid Common Stock for an aggregate purchase price of \$505.5 million. Shares of Candid Common Stock issued pursuant to the Concurrent Financing will be converted into shares of Rallybio Common Stock in accordance with the Merger Agreement.

Candid and Rallybio have also agreed to enter into the Registration Rights Agreement with the Investors at the closing of the Concurrent Financing. Pursuant to the Registration Rights Agreement, the combined company will prepare and file a resale registration statement with the SEC within 30 calendar days following the closing of the Concurrent Financing. The combined company will use its commercially reasonable efforts to cause such registration statement to become effective as promptly as practicable.

The combined company will also agree to, among other things, indemnify the Investors, their members, stockholders, directors, officers, partners, employees, managers, agents, representatives and advisors under the registration statement from certain liabilities and pay all fees and expenses (excluding any legal fees of the selling holder(s), and any underwriting discounts and selling commissions) incident to the combined company's obligations under the Registration Rights Agreement.

The following table summarizes subscriptions of shares of Candid Common Stock by holders of more than 5% of the outstanding shares of Candid Capital Stock (at the time of such transaction), expected holders of more than 5% of the outstanding shares of the combined company's common stock immediately following the closing of the Contemplated Transactions and entities affiliated with members of Candid's and the expected combined company's board of directors.

NAME OF STOCKHOLDER	AGGREGATE CONSIDERATION
Entities affiliated with Venrock ⁽¹⁾	\$ 50,000,000.00
Entities affiliated with FMR LLC ⁽²⁾	\$ 40,000,000.00
venBio Global Strategic Fund IV, L.P. ⁽³⁾	\$ 20,000,000.00
Foresite Capital Fund VI LP ⁽⁴⁾	\$ 14,000,000.00

⁽¹⁾ Consists of shares to be purchased in the Concurrent Financing by Venrock Healthcare Capital Partners EG, L.P., Venrock Healthcare Capital Partners III, L.P. and VHCP Co-Investment Holdings III, LLC (collectively, "Venrock"). Following the closing of the Contemplated Transactions, Venrock is expected to beneficially own more than 5% of the outstanding shares of the combined company's common stock.

- (2) Consists of shares to be purchased in the Concurrent Financing by certain subsidiaries and affiliates of FMR LLC and other companies whose shares are beneficially owned, or may be beneficially owned by FMR LLC. Following the closing of the Contemplated Transactions, FMR LLC is expected to beneficially own more than 5% of the outstanding shares of the combined company's common stock.
- (3) Dr. Royston, a member of the Candid Board and who is expected to serve on the board of directors of the combined company, is a managing partner at venBio Global Strategic Fund IV, L.P. ("venBio").
- (4) At the time of signing the Subscription Agreement, Foresite Capital Fund VI LP together with Foresite Labs Affiliates 2024, LLC, Foresite Labs Fund I, L.P., Labs Co-Invest LLC and Foresite Therapeutics 2024, LLC (collectively "Foresite Capital") beneficially owned more than 5% of the outstanding shares of Candid Capital Stock. Following the closing of the Contemplated Transactions, Foresite Capital is expected to beneficially own more than 5% of the outstanding shares of the combined company's common stock. Dr. Rome, a member of the Candid Board and who is expected to serve on the board of directors of the combined company, is a managing director at Foresite Capital.

Promissory Notes

Convertible Note Financing

In June 2024, Candid issued and sold a convertible promissory note to the Song 2016 Children's Trust dated October 14, 2016 (the "Song Children's Trust") in the principal amount of \$0.2 million (the "Song Note"). Dr. Song, Candid's President and Chief Executive Officer and Chairman of the Candid Board, is a trustee of the Song Children's Trust, and may be deemed to beneficially own the shares held by the Song Children's Trust. The convertible promissory note accrued interest at a rate of 5% per annum, and subsequently converted at a 50% discount to the Series B purchase price in connection with the Series B Financing (as defined below).

Foresite Promissory Note

In June 2024, Candid issued and sold a promissory note to Foresite Capital Fund VI LP, in the principal amount of \$3.0 million. The promissory note accrued interest at a rate of 5.12% and was subsequently repaid in accordance with its terms on August 19, 2024, following the closing of the 2024 Merger described below. Foresite Capital beneficially owned more than 5% of the outstanding shares of Candid Capital Stock at the time of repayment of the promissory note. In addition, Dr. Rome, a member of the Candid Board, is a managing director at Foresite Capital.

Series B Convertible Preferred Stock Financing

In August 2024, pursuant to a Series B preferred stock purchase agreement, Candid issued and sold in two closings an aggregate of 171,666,659 shares of its Series B convertible preferred stock at a purchase price of \$1.20 per share and received gross proceeds of approximately \$206.0 million (the "Series B Financing"). In connection with the Series B Financing, Candid issued an additional 339,105 shares of Candid's Series B convertible preferred stock upon the conversion and extinguishment of the Song Note.

The following table summarizes purchases of shares of Candid's Series B convertible preferred stock by holders of more than 5% of the outstanding shares of Candid Capital Stock (as a result of such transaction) and entities affiliated with members of the Candid Board or who became affiliates of members of the Candid Board as a result of such transaction. The initial closing of the Series B Financing occurred immediately prior to the closing of the 2024 Merger described below.

NAME OF STOCKHOLDER	SERIES B PREFERRED	AGGREGATE CONSIDERATION
Entities affiliated with Venrock ⁽¹⁾	20,833,333	\$ 24,999,999.60
venBio Global Strategic Fund IV, L.P. ⁽²⁾	14,583,333	\$ 17,499,999.60
Fairmount Healthcare Fund II L.P.	14,583,333	\$ 17,499,999.60
TCG Crossover Fund II, L.P.	14,583,333	\$ 17,499,999.60
Entities affiliated with OrbiMed ⁽³⁾	10,416,666	\$ 12,499,999.20
Boxer Capital, LLC	10,416,666	\$ 12,499,999.20
Redmile Biopharma Investments III, L.P.	10,416,666	\$ 12,499,999.20
Song 2016 Children's Trust dated October 14, 2016 ⁽⁴⁾	339,105	\$ 203,463.01

⁽¹⁾ Consists of shares purchased by Venrock Healthcare Capital Partners EG, L.P., Venrock Healthcare Capital Partners III, L.P. and VHCP Co-Investment Holdings III, LLC. As a result of the Series B Financing, Venrock became a holder of more than 5% of the outstanding shares of Candid Capital Stock.

- (2) Consists of shares purchased by venBio Global Strategic Fund IV, L.P. Dr. Royston, a managing partner at venBio, became a member of the Candid Board as a result of the Series B Financing. As a result of the Series B Financing, venBio became a holder of more than 5% of the outstanding shares of Candid Capital Stock.
- (3) Consists of shares purchased by OrbiMed Genesis Master Fund, L.P. and OrbiMed Private Investments IX, LP (collectively, "OrbiMed"). As a result of the Series B Financing, OrbiMed became a holder of more than 5% of the outstanding shares of Candid Capital Stock.
- (4) Represents shares of Series B convertible preferred stock issued to the Song Children's Trust, upon conversion of the Song Note. See "Certain Relationships and Related Party Transactions of the Combined Company—Candid Related Party Transactions—Promissory Notes—Convertible Note Financing" for further information. Dr. Song, Candid's President and Chief Executive Officer and Chairman of the Candid Board, is a trustee of the Song Children's Trust.

2024 Merger Transactions

In August 2024, Candid entered into an Agreement and Plan of Merger and Reorganization (the "2024 Merger Agreement"), by and among Candid, Candid BCMA Merger Sub, Inc. ("BCMA Merger Sub"), Candid CD20 Merger Sub, Inc., ("CD20 Merger Sub"), Vignette Bio and TRC. Pursuant to the 2024 Merger Agreement, BCMA Merger Sub was merged with and into Vignette Bio, with Vignette Bio surviving as a wholly owned subsidiary of Candid, and CD20 Merger Sub was merged with and into TRC, with TRC surviving as a wholly owned subsidiary of Candid. The foregoing merger transactions are referred to in this proxy statement/prospectus as the "2024 Merger."

At the time of the 2024 Merger, each of Dr. Rome and Dr. Song, Candid's President and Chief Executive Officer and Chairman of the Candid Board, was a member of the board of directors of Vignette Bio, and Dr. Tong was a member of the board of directors of TRC. As a result of the 2024 Merger, Dr. Rome and Dr. Tong became members of the Candid Board.

Effective upon the completion of the 2024 Merger, (i) each issued and outstanding share of common stock of Vignette Bio was cancelled and exchanged for one share of Candid Common Stock, (ii) each issued and outstanding share of Series A convertible preferred stock of Vignette Bio was cancelled and exchanged for one share of Candid Series A-1 convertible preferred stock, (iii) each issued and outstanding share of common stock of TRC was cancelled and exchanged for 4.25 shares of Candid Common Stock, and (iv) each issued and outstanding share of Series A convertible preferred stock of TRC was cancelled and exchanged for 4.25 shares of Candid Series A-2 convertible preferred stock.

The following table summarizes the number of shares of Candid Common Stock, Series A-1 convertible preferred stock and Series A-2 convertible preferred stock received in connection with the 2024 Merger by entities who became holders of more than 5% of the outstanding shares of Candid Capital Stock and affiliates of members of the Candid Board as a result of such transaction.

NAME OF STOCKHOLDER	COMMON STOCK	SERIES A-1 PREFERRED	SERIES A-2 PREFERRED	AGGREGATE CONSIDERATION
Entities affiliated with Foresite Capital ⁽¹⁾	14,175,000	32,987,500	21,999,996	\$ 54,999,997.50
Entities affiliated with Third Rock Ventures ⁽²⁾	20,950,000	—	53,000,002	\$ 53,000,003.25

(1) Consists of shares issued to Foresite Capital Fund VI, L.P., Foresite Labs Affiliates 2024, LLC, Foresite Labs Fund I, L.P., Labs Co-Invest LLC and Foresite Therapeutics 2024, LLC. Dr. Rome, a managing director at Foresite Capital, became a member of the Candid Board as a result of the 2024 Merger. As a result of the 2024 Merger, Foresite Capital a holder of more than 5% of the outstanding shares of Candid Capital Stock.

(2) Consists of shares issued to Third Rock Ventures V, L.P. and Third Rock Ventures VI, L.P. (collectively, "Third Rock Ventures"). Dr. Tong, a partner at Third Rock Ventures, became a member of the Candid Board as a result of the 2024 Merger. As a result of the 2024 Merger, Third Rock Ventures became a holder of more than 5% of the outstanding shares of Candid Capital Stock.

Investor Agreements

Candid is party to an investors' rights agreement, voting agreement and right of first refusal and co-sale agreement containing registration rights, information rights, voting rights and rights of first refusal and co-sale, among other things, with certain of its stockholders, including holders of more than 5% of the outstanding shares of Candid Capital Stock, and entities with which certain of Candid's officers and directors are affiliated. The foregoing agreements will terminate at or prior to the Closing.

Indemnification Agreements

Candid's amended and restated certificate of incorporation contains provisions limiting the liability of directors and officers of Candid, and Candid's bylaws, as amended, provide that Candid will indemnify each of its directors and executive officers (as defined in Rule 3b-7 promulgated under the Exchange Act) to the fullest extent not prohibited by the DGCL or any other applicable law. Candid's amended and restated certificate of incorporation also provides the Candid Board with discretion to indemnify its directors, officers and agents (and any other persons to which the DGCL permits Candid to provide indemnification) pursuant to Candid's bylaws, as amended, agreements, vote of Candid's stockholders or disinterested directors or otherwise, in excess of the indemnification and advancement otherwise permitted by Section 145 of the DGCL. In addition, Candid's bylaws, as amended, provide that Candid has the power to indemnify its other officers, employees and other agents as set forth in the DGCL or any other applicable law.

Candid has entered, and the combined company will enter, into separate indemnification agreements with each of its directors and executive officers. The Candid indemnification agreements provide, and the combined company indemnification agreements will provide, that Candid, or the combined company, as applicable, will indemnify each of their respective directors and officers against any and all expenses incurred by that director or officer because of his or her status as one of Candid's or the combined company's, as applicable, directors and/or officers or while serving in such capacity, is or was service or has agreed to serve as a director, officer, employee or agent of another entity, to the fullest extent permitted by the DGCL, Candid's or the combined company's amended and restated certificate of incorporation and amended and restated bylaws. In addition, the Candid indemnification agreements provide, and the combined company indemnification agreements will provide, that, to the fullest extent permitted by the DGCL, Candid or the combined company, as applicable, will advance all expenses incurred by their respective directors and officers in connection with a legal proceeding involving his or her status as a director or executive officer or while serving in such capacity, is or was service or has agreed to serve as a director, officer, employee or agent of another entity. The terms of the combined company indemnification agreements are qualified in their entirety by reference to the actual text of the indemnification agreement, a form of which is filed as an exhibit to this proxy statement/prospectus.

Policies and Procedures for Transactions with Related Persons

Following the Closing, combined company plans to adopt a new written related-person transactions policy that sets forth its policies and procedures regarding the identification, review, consideration and oversight of "related-person transactions." For purposes of the combined company's policy only, a "related-person transaction" will be a transaction, arrangement or relationship (or any series of similar transactions, arrangements or relationships) in which the combined company and any "related person" are participants involving an amount that exceeds the lesser of \$120,000 and 1% of the average of the combined company's total assets at year-end for the last two completed fiscal years. Transactions involving compensation for services provided to the combined company as an employee, consultant or director will not be considered related-person transactions under this policy. A related person will be any executive officer, director, nominee to become a director or a holder of more than five percent of the combined company's common stock, including any of their immediate family members and affiliates, including entities owned or controlled by such persons.

Under the policy, it is expected that where a transaction has been identified as a related-person transaction, management will need to present information regarding the proposed related-person transaction to the combined company's audit committee (or, where review by the combined company's audit committee would be inappropriate, to another independent body of the combined company's board of directors) for review. The presentation will need to include a description of, among other things, all of the parties thereto, the direct and indirect interests of the related persons, the purpose of the transaction, the material facts, the benefits of the transaction to the combined company and whether any alternative transactions are available, an assessment of whether the terms are comparable to the terms available from unrelated third parties and management's recommendation. To identify related-person transactions in advance, the combined company will rely on information supplied by its executive officers, directors and certain significant stockholders. In considering related-person transactions, the combined company's audit committee or another independent body of the combined company's board of directors will take into account the relevant available facts and circumstances including, but not limited to:

- the risks, costs and benefits to the combined company;

- the impact on a director's independence in the event the related person is a director, immediate family member of a director or an entity with which a director is affiliated;
- the terms of the transaction;
- the availability of other sources for comparable services or products; and
- the terms available to or from, as the case may be, unrelated third parties.

In the event a director has an interest in the proposed transaction, the director will need to recuse himself or herself from the deliberations and approval.

Policies for Approval of Related Party Transactions

The Rallybio Board has adopted a written related person transaction policy setting forth the policies and procedures for the review and approval or ratification of related person transactions. This policy covers, with certain exceptions set forth in Item 404 of Regulation S-K under the Securities Act, any transaction, arrangement or relationship, or any series of similar transactions, arrangements or relationships, in which we were or are to be a participant, where the amount involved exceeds the lesser of (i) \$120,000 or (ii) one percent of the average of Rallybio's total assets at year end for the last two completed fiscal years, in any fiscal year and a related person had, has or will have a direct or indirect material interest, including without limitation, purchases of goods or services by or from the related person or entities in which the related person has a material interest, indebtedness, guarantees of indebtedness and employment by us of a related person. In reviewing and approving any such transactions, the audit committee is tasked with considering all relevant facts and circumstances, including, but not limited to, whether the transaction is on terms comparable to those that could be obtained in an arm's length transaction and the extent of the related person's interest in the transaction.

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

Defined terms included below shall have the same meaning as terms defined and included elsewhere in this proxy statement/prospectus.

Introduction

On March 1, 2026, Rallybio, Merger Sub, and Candid entered into the Merger Agreement, pursuant to which, and subject to the satisfaction or waiver of the conditions set forth in the Merger Agreement, Merger Sub will merge with and into Candid, with Candid surviving as a wholly owned subsidiary of Rallybio. The Merger is expected to close in the second quarter of 2026 following the effectiveness of this registration statement, receipt of approval by the stockholders of each of Rallybio and Candid and the satisfaction or waiver of the other conditions to the Merger. Upon completion of the Merger, the business of Candid will continue as the business of the combined company. After the completion of the Merger, Rallybio expects to change its corporate name from "Rallybio Corporation" to "Candid Therapeutics, Inc."

Subject to the terms and conditions of the Merger Agreement, at the Effective Time:

- Each outstanding share of Candid Capital Stock (other than the shares issued in the Concurrent Financing) will be converted into the right to receive a number of shares of Rallybio Common Stock equal to the Exchange Ratio.
- Each outstanding share of Candid Common Stock issued in the Concurrent Financing will be converted into the right to receive a number of shares of Rallybio Common Stock equal to the Concurrent Financing Exchange Ratio.
- Each outstanding share of Candid Common Stock that is unvested or subject to a repurchase option or a risk of forfeiture, will be exchanged for the number of shares of Rallybio Common Stock based on the Exchange Ratio, and will to the same extent be unvested and subject to the same repurchase option or risk of forfeiture.
- Each outstanding and unexercised stock option to purchase Candid Common Stock will be assumed by Rallybio and will be converted into an option to purchase the number of shares of Rallybio Common Stock with an exercise price, both of which are based on the Exchange Ratio, and will to the same extent otherwise remain unchanged as to the term, exercisability, vesting schedule and other provisions of such stock options.

In connection with the Merger, Candid entered into the Subscription Agreement with the Investors, and Rallybio expects to enter into the Rallybio CVR Agreement.

Each of the Exchange Ratio and the Concurrent Financing Exchange Ratio is assumed to be 0.0716 shares of Rallybio Common Stock for each share of Candid Capital Stock upon the Closing and is subject to the assumptions set forth below. Under the expected Exchange Ratio and Concurrent Financing Exchange Ratio formulas in the Merger Agreement, immediately after the Closing, pre-Merger equityholders of Candid (other than investors in the Concurrent Financing) are expected to own approximately 57.55% of the combined company, pre-Merger equityholders of Rallybio are expected to own approximately 3.65% of the combined company, and the Investors are expected to own approximately 38.80% of the combined company (assuming proceeds from the Concurrent Financing of \$505.5 million), in each case, calculated on a fully diluted basis using the treasury stock method, and subject to certain assumptions, including (i) a valuation for Rallybio of \$47.5 million (assuming Rallybio Net Cash of \$37.5 million as of the Closing), (ii) a fixed valuation for Candid of \$750.0 million and (iii) the relative capitalization of Rallybio and Candid. In addition, a proposed reverse stock split at a ratio of 1-for-2.5 has been assumed as discussed below.

Rallybio will ask its stockholders to approve an amendment to its amended and restated certificate of incorporation to effect the reverse stock split. Upon the effectiveness of the amendment to its amended and restated certificate of incorporation effecting the reverse stock split, the outstanding shares of Rallybio Common Stock will be reduced by a ratio to be agreed upon by Rallybio and Candid. For purposes of the unaudited pro forma condensed combined financial information a reverse stock split of 1-for-2.5 has been assumed, and any references herein to the proposed reverse stock split shall account for such assumption.

The unaudited pro forma condensed combined financial information gives effect to the Merger, which is expected to be accounted for as a reverse recapitalization under GAAP, as well as the Concurrent Financing and assumes the proposed reverse stock split at a ratio of 1-for-2.5. For further details related to the accounting for the Merger see Notes 1 and 3 below. All share amounts have been adjusted to reflect the estimated Exchange Ratio of 0.0716 shares of Rallybio Common Stock for each share of Candid Capital Stock, unless otherwise stated.

The unaudited pro forma condensed combined balance sheet assumes that the Merger took place on December 31, 2025, and combines the historical balance sheets of Rallybio and Candid as of such date. The unaudited pro forma condensed combined statements of operations for the year ended December 31, 2025 assume that the Merger took place as of January 1, 2025, and combines the historical results of Rallybio and Candid for the year ended December 31, 2025. The unaudited pro forma condensed combined financial information was prepared pursuant to the rules and regulations of Rule 8-05 and Article 11 of SEC Regulation S-X.

The unaudited pro forma condensed combined financial information, including the notes thereto, should be read in conjunction with the separate historical financial statements of Rallybio and Candid, and their respective management's discussion and analysis of financial condition and results of operations included elsewhere in this proxy statement/prospectus.

The unaudited pro forma condensed combined financial information is based on the assumptions and adjustments that are described in the accompanying notes. The pro forma adjustments are preliminary, subject to further revision as additional information becomes available and additional analyses are performed including but not limited to changes in Rallybio's assets and liabilities, additional financing, additional direct and incremental offering costs and the final reverse stock split. Adjustments have been made solely for the purpose of providing unaudited pro forma condensed combined financial information. Differences between these preliminary estimates and the final accounting expected to be completed after the Closing may occur, and these differences could have a material impact on the accompanying unaudited pro forma condensed combined financial information.

The unaudited pro forma condensed combined financial information does not give effect to the potential impact of current financial conditions, regulatory matters, operating efficiencies or other savings or expenses that may be associated with the integration of the two companies. The unaudited pro forma condensed combined financial information is not necessarily indicative of the financial position or results of operations in the future periods or the result that actually would have been realized had Rallybio and Candid been a combined organization during the specified period. The actual results reported in periods following the Merger may differ significantly from those reflected in the unaudited condensed combined pro forma financial information presented herein for a number of reasons, including, but not limited to, differences in the assumptions used to prepare this unaudited pro forma condensed combined financial information.

UNAUDITED PRO FORMA CONDENSED COMBINED BALANCE SHEET
As of December 31, 2025
(in thousands, except per share data)

	RALLYBIO (HISTORICAL)	CANDID (HISTORICAL)	PROPOSED REVERSE STOCK SPLIT ADJUSTMENT (NOTE 5)	NOTES	TRANSACTION ACCOUNTING ADJUSTMENTS (NOTE 5)	NOTES	PRO FORMA COMBINED
ASSETS							
Current assets:							
Cash and cash equivalents	\$ 31,374	\$ 20,876	\$ —		\$ (5,400)	A	\$ 539,808
					492,958	B	
Marketable securities	23,362	202,389	—		—		225,751
Prepaid expenses and other current assets	6,517	4,483	—		—		11,000
Total current assets	61,253	227,748	—		487,558		776,559
Property and equipment, net	23	167	—		—		190
Operating lease right-of-use assets	175	1,703	—		—		1,878
Other assets, noncurrent	810	1,952	—		—		2,762
Total assets	<u>\$ 62,261</u>	<u>\$ 231,570</u>	<u>\$ —</u>		<u>\$ 487,558</u>		<u>\$ 781,389</u>
LIABILITIES, CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' EQUITY (DEFICIT)							
Current liabilities:							
Accounts payable	\$ 126	\$ 803	\$ —		\$ —		\$ 929
Accrued expenses and other current liabilities	3,791	14,219	—		2,166	C	27,749
					7,573	D	
Operating lease liabilities	94	625	—		—		719
Deferred revenue	212	—	—		—		212
Total current liabilities	4,223	15,647	—		9,739		29,609
Operating leases liabilities, noncurrent	82	1,197	—		—		1,279
Other long-term liabilities	—	206	—		810	C	1,016
Total liabilities:	4,305	17,050	—		10,549		31,904
Convertible preferred stock, \$0.0001 par value	—	427,735	—		(427,735)	E	—
Stockholders' equity (deficit):							
Common stock, \$0.0001 par value	4	10	(4)	J	36	B	6
					37	E	
					(77)	G	
Additional paid-in capital	359,932	52,714	4	J	492,922	B	1,017,088
					(7,573)	D	
					427,698	E	
					(310,934)	F	
					77	G	
					578	H	
					1,670	I	
Accumulated other comprehensive income	18	602	—		(18)	F	602
Accumulated deficit	(301,998)	(266,541)	—		(5,400)	A	(268,211)
					(2,976)	C	
					310,952	F	
					(578)	H	
					(1,670)	I	
Total stockholders' equity (deficit)	<u>57,956</u>	<u>(213,215)</u>	<u>—</u>		<u>904,744</u>		<u>749,485</u>
Total liabilities, convertible preferred stock and stockholders' equity (deficit)	<u>\$ 62,261</u>	<u>\$ 231,570</u>	<u>\$ —</u>		<u>\$ 487,558</u>		<u>\$ 781,389</u>

See accompanying notes to the unaudited pro forma condensed combined financial statements.

UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS
For the Year Ended December 31, 2025
(in thousands, except per share data)

	RALLYBIO (HISTORICAL)	CANDID (HISTORICAL)	PROPOSED REVERSE STOCK SPLIT ADJUSTMENT (NOTE 5)	NOTES	TRANSACTION ACCOUNTING ADJUSTMENTS (NOTE 5)	NOTES	PRO FORMA COMBINED
Collaboration and license revenue	\$ 858	\$ —	\$ —		\$ —		\$ 858
Operating expenses:							
Research and development	19,597	62,240	—		485	AA	82,542
					220	BB	
In-process research and development	—	31,300	—		—		31,300
General and administrative	14,325	8,715	—		1,185	AA	32,959
					358	BB	
					2,976	CC	
					5,400	DD	
Total operating expenses	33,922	102,255	—		10,624		146,801
Loss from operations	(33,064)	(102,255)	—		(10,624)		(145,943)
Other income (expense):							
Interest income	2,189	10,022	—		—		12,211
Gain on sale of joint venture and other income, net	22,771	(2)	—		—		22,769
Total other income (expense), net	24,960	10,020	—		—		34,980
Loss before equity in losses of joint venture	(8,104)	(92,235)	—		(10,624)		(110,963)
Loss on investment in joint venture	874	—	—		—		874
Net loss	\$ (8,978)	\$ (92,235)	\$ —		\$ (10,624)		\$ (111,837)
Weighted average common shares outstanding – basic and diluted	5,629		(3,258)	EE	62,247	EE	64,618
Net loss per common share – basic and diluted	\$ (1.59)					EE	\$ (1.73)

See accompanying notes to the unaudited pro forma condensed combined financial statements.

NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS

Note 1—Description of the Transaction

On March 1, 2026, Rallybio, Merger Sub and Candid entered into the Merger Agreement, pursuant to which, and subject to the satisfaction or waiver of the conditions set forth in the Merger Agreement, Merger Sub will merge with and into Candid, with Candid surviving as a wholly owned subsidiary of Rallybio. Subject to the terms and conditions of the Merger Agreement, at the Effective Time:

- Each outstanding share of Candid Capital Stock (other than the shares issued in the Concurrent Financing) will be converted into the right to receive a number of shares of Rallybio Common Stock equal to the Exchange Ratio.
- Each outstanding share of Candid Common Stock issued in the Concurrent Financing will be converted into the right to receive a number of shares of Rallybio Common Stock equal to the Concurrent Financing Exchange Ratio.
- Each outstanding share of Candid Common Stock that is unvested or subject to a repurchase option or a risk of forfeiture, will be exchanged for the number of shares of Rallybio Common Stock based on the Exchange Ratio, and will to the same extent be unvested and subject to the same repurchase option or risk of forfeiture.
- Each outstanding and unexercised stock option to purchase Candid Common Stock will be assumed by Rallybio and will be converted into an option to purchase the number of shares of Rallybio Common Stock with an exercise price, both of which are based on the Exchange Ratio, and will to the same extent otherwise remain unchanged as to the term, exercisability, vesting schedule and other provisions of such stock options.

In connection with the Merger, Rallybio equity awards are expected to be accelerated and fully vested prior to the Closing, after giving effect to the proposed reverse stock split of Rallybio Common Stock at an assumed ratio of 1-for-2.5 to be implemented prior to the Closing.

Anticipated Concurrent Financing

Concurrent with the execution and delivery of the Merger Agreement, Candid and the Investors executed the Subscription Agreement, pursuant to which the Investors agreed to purchase shares of Candid Common Stock immediately prior to the Closing, for aggregate gross cash proceeds of \$505.5 million before estimated expenses, subject to no less than \$450.0 million in aggregate gross cash proceeds. Approximately 360.7 million shares of Candid Common Stock before giving effect to the Exchange Ratio, at an estimated purchase price of \$1.40 per share are expected to be issued immediately prior to or concurrent with the Closing.

The following table summarizes the pro forma number of shares of common stock of the combined company expected to be outstanding immediately upon the consummation of the Merger on a fully diluted basis using the treasury stock method, assuming (i) a valuation for Rallybio of \$47.5 million (assuming Rallybio Net Cash of \$37.5 million as of the Closing), (ii) a fixed valuation for Candid of \$750.0 million, (iii) the relative capitalization of Rallybio and Candid, (iv) the anticipated proceeds from the Concurrent Financing of \$505.5 million and (v) a proposed reverse stock split of Rallybio Common Stock at an assumed ratio of 1-for-2.5 to be implemented prior to the Closing:

	COMMON STOCK	OWNERSHIP %
Candid stockholders and optionholders	38,327,399	57.55%
Rallybio stockholders	2,427,402	3.65%
Concurrent Financing stockholders	25,836,096	38.80%
Total shares of common stock of the combined company	66,590,897	100.00%

Consummation of the Merger is subject to certain closing conditions, including but not limited to, approval by Rallybio stockholders, approval by Candid stockholders, Nasdaq's approval of the listing of the shares of Rallybio Common Stock to be issued in connection with the Merger, the Concurrent Financing with cash proceeds of at least \$200.0 million, and the effectiveness of the registration statement of which this proxy statement/prospectus forms a part.

The employment agreements for Rallybio employees include entitlement to change in control payments for certain executives and severance for certain non-executives, which is expected to be treated as pre-Merger compensation expense of Rallybio and reflected as a reduction in cash of Rallybio. Prior to the Closing, Rallybio also has or expects to (i) discontinue its research and development activities, and (ii) close out and terminate all contracts related to Rallybio's clinical trials. To the extent such severance costs and any other termination costs are not settled in cash by Rallybio prior to Closing, they will be assumed by the combined company at Closing and adjusted through Rallybio's valuation.

Contingent Value Rights Agreement

During the year ended December 31, 2025, Rallybio sold Rallybio's REV102 to Recursion in July 2025. In connection with the sale, Rallybio recorded contract assets related to potential future proceeds from the sale in the amount of \$3.0 million, representing the Legacy Assets.

Immediately prior to the Closing, Rallybio expects to enter into the Rallybio CVR Agreement, pursuant to which holders of Rallybio Common Stock, pre-funded warrants, restricted stock units and in the money stock options will receive one Rallybio CVR for each outstanding share, or share underlying such pre-funded warrant or equity award held. Each Rallybio CVR holder will be entitled to receive on a pro rata basis a share of all of the net proceeds, if any, received by Rallybio from (i) upfront, milestone, or royalty fees under any disposition agreements related to the Legacy Assets, and (ii) all of the cash proceeds, if any, received from Recursion related to the sale of Rallybio's REV102 in July 2025. The combined company will use commercially reasonable efforts to effect the disposition of the Legacy Assets for a period of one year after the Closing.

The Company concluded that the Rallybio CVRs represent financial instruments and anticipates that they will be accounted for at fair value. Accordingly, the Rallybio CVRs will be remeasured, with changes in fair value, if any, reflected in the consolidated statements of operations and comprehensive loss, as of each reporting period date. The estimated fair value of the Rallybio CVR liability was determined using the discounted cash flow method to estimate future cash flows associated with the Legacy Assets and those arising from the sale of REV102, including the expected milestone and royalty payments. The fair value of the Rallybio CVR liability arising from the sale of REV102 is estimated to be equal to the book value of the related contract asset of \$3.0 million. The fair value of the CVR liability related to any remaining Legacy Assets is immaterial.

As a result of the Merger, such Rallybio CVR liabilities represent an obligation because they are expected to be issued to pre-Closing Rallybio equityholders, and the combined company will not be entitled to any proceeds (other than reimbursement for any reasonable disposition costs).

Note 2—Basis of Pro Forma Presentation

The unaudited pro forma condensed combined financial information has been prepared in accordance with Article 11 of Regulation S-X and depicts the proposed reverse stock split and accounting for the Merger ("Transaction Accounting Adjustments"). The unaudited pro forma condensed combined balance sheet as of December 31, 2025 assumes that the proposed reverse stock split and Merger had been approved or consummated on December 31, 2025. The unaudited pro forma condensed combined statement of operations for the year ended December 31, 2025 assumes that the proposed reverse stock split and Merger took place as of January 1, 2025, and combines the historical results of Rallybio and Candid for the year ended December 31, 2025.

The unaudited pro forma condensed combined financial information is based on the assumptions and adjustments that are described in the accompanying notes. The pro forma adjustments are subject to further revision as additional information becomes available and additional analyses are performed, including but not limited to changes in Rallybio's assets and liabilities, additional financing, additional direct and incremental offering costs and the final reverse stock split. Adjustments have been made solely for the purpose of providing unaudited pro forma condensed combined financial information. There will be differences between the pro forma adjustments and the final accounting expected to be completed after the Closing, and such differences could be material.

Note 3—Accounting for the Merger

The unaudited pro forma condensed combined financial information gives effect to the Merger, which is expected to be accounted for under GAAP as an in-substance reverse recapitalization of Candid. The treatment as an

in-substance reverse recapitalization is based on the assessment that as a result of Rallybio's discontinuation of its research and development activities and settlement of its other remaining operating assets and liabilities, immediately prior to the Closing, Rallybio is expected to have nominal operations and nominal assets, apart from cash and cash equivalents and marketable securities. Under a reverse recapitalization, Candid is considered to effect a financing transaction in exchange for issuing equity.

Rallybio is not considered to be the accounting acquirer in the Merger based on the following considerations:

- Candid stockholders will own a majority of the voting rights of the combined company.
- Candid will designate all initial members of the board of directors of the combined company.
- Candid's executive management team will become the executive management team of the combined company.
- The combined company will be renamed "Candid Therapeutics, Inc." and its headquarters will be Candid's current headquarters, in San Diego, California.

As the transaction is a reverse recapitalization, Candid's assets and liabilities will be carried into the books of Rallybio at their pre-combination carrying amounts. Candid's historical equity carrying values will become the equity of the combined company, with the number of shares outstanding and the common stock aggregate par value adjusted for the effects of the exchange of Candid Capital Stock for Rallybio's Common Stock. For periods prior to the Closing, the historical financial statements of Candid will become the historical financial statements of the combined company.

The assets and liabilities of Rallybio will be adjusted upon completion of the Merger to their fair values, which are expected to approximate their carrying values. No goodwill is recognized. The adjusted values of cash and cash equivalents, marketable securities and nominal other net assets acquired will be recorded as an adjustment to the post-Merger equity of the combined company.

With respect to the related Rallybio CVRs asset and liability, Management's preliminary conclusion is that (i) there is no value associated with the Rallybio CVRs related to any potential future disposition of any Legacy Assets as the likelihood of any payments received in connection with the Legacy Assets following the Closing is remote and (ii) the value associated with the Rallybio CVRs related to the disposition of the Legacy Assets in July 2025, has been recorded within prepaid and other current assets and other assets, noncurrent with a corresponding obligation recorded within accrued expenses and other current liabilities and other liabilities, noncurrent in the pro forma condensed combined balance sheet as of December 31, 2025.

Note 4—Shares of Rallybio Common Stock Issued to Candid Stockholders upon the Closing of the Merger

At Closing, all outstanding shares of Candid Capital Stock will be exchanged for shares of Rallybio Common Stock based on the preliminary estimated Exchange Ratio of 0.0716 shares of Rallybio Common Stock for each share of Candid Capital Stock and preliminary estimated Concurrent Financing Exchange Ratio of 0.0716 (rounded) shares of Rallybio Common Stock for each share of Candid Common Stock issued in the Concurrent Financing, in each case, determined in accordance with the terms of the Merger Agreement and after giving effect to the proposed reverse stock split at an assumed ratio of 1-for-2.5. The estimated number of shares of Rallybio Common Stock that Rallybio expects to issue to Candid's stockholders assumes Rallybio Net Cash at Closing is \$37.5 million, and is determined as follows:

Shares of Candid common stock issued ⁽¹⁾	141,521,816
Shares of Candid convertible preferred stock	367,005,749
Total Candid shares prior to Closing, pre-Exchange Ratio	508,527,565
Concurrent Financing, pre-Concurrent Financing Exchange Ratio	360,658,753
Total Candid shares and Concurrent Financing prior to Closing, pre-Exchange Ratio and Concurrent Financing Exchange Ratio	869,186,318
Estimated Exchange Ratio and Concurrent Financing Exchange Ratio (rounded)	0.0716
Estimated shares expected to be issued to existing Candid stockholders and investors participating in Candid Concurrent Financing upon Closing	62,246,687

⁽¹⁾ Includes 141,472,337 shares of Candid Common Stock issued as of December 31, 2025, and 49,479 shares of Candid Common Stock issued after December 31, 2025 to February 28, 2026. Also includes shares of Candid's restricted common stock subject to vesting conditions that are legally issued.

Note 5—Pro Forma Adjustments

The unaudited pro forma condensed combined financial information has been prepared to illustrate the effect of the Merger based on preliminary estimates that could change materially as additional information is obtained.

Adjustments to the historical consolidated financial statements of Rallybio to conform to the accounting policies of Candid are not expected to be significant.

Pro Forma Adjustments to Unaudited Pro Forma Condensed Combined Balance Sheet

The adjustments included in the unaudited pro forma condensed combined balance sheet as of December 31, 2025, were as follows:

- (A) To reflect preliminary estimated incremental compensation expense of \$5.4 million related to severance and change in control payments resulting from pre-existing employment agreements or severance plan arrangements that will be incurred upon the Closing as a reduction to cash and cash equivalents and a corresponding increase to accumulated deficit.
- (B) To reflect the anticipated proceeds in cash and cash equivalents and a corresponding increase to additional paid-in capital from the Concurrent Financing of \$505.5 million effected immediately prior to or at the Closing, net of estimated transaction costs in the amount of \$12.6 million.
- (C) To reflect the liability related to the Rallybio CVR that is payable to the pre-Closing Rallybio stockholders, and therefore is an obligation upon the Closing. The current and noncurrent liability in the aggregate amount of \$3.0 million is reflected with a corresponding increase to accumulated deficit.
- (D) To reflect the preliminary estimated Merger-related transaction costs in the amount of \$7.6 million, not reflected in the historical financial statements, that are expected to be incurred by Candid in connection with the Merger. These costs include advisory, legal, consulting and accounting and other professional fees that are direct and incremental and treated as a cost of raising equity since the Merger is accounted for as a reverse recapitalization, equivalent to the issuance of equity for the net assets of Rallybio. The \$7.6 million is recognized as a liability and a corresponding reduction of the net proceeds received in additional paid-in capital.
- (E) To reflect the conversion of Candid's convertible preferred stock into Rallybio Common Stock in an aggregate amount of \$427.7 million, recorded to common stock for the par value and additional paid-in capital of the combined company for the excess over the par value.
- (F) To reflect derecognition of Rallybio's historical accumulated deficit, and the recapitalization of Candid as additional paid-in capital.

The pro forma adjustments recorded to Rallybio's accumulated deficit as of December 31, 2025, were determined as follows (in thousands):

Rallybio's historical accumulated deficit	\$301,998
Compensation expense related to Rallybio in connection with the Merger (Note A)	5,400
Recognition of liability related to CVR assets (Note C)	2,976
Rallybio's incremental stock-based compensation for acceleration of unvested awards (Note H)	578
Total adjustments to derecognize Rallybio's historical accumulated deficit	<u>\$310,952</u>

The pro forma adjustments recorded to Rallybio's additional paid-in capital as of December 31, 2025, were determined as follows (in thousands):

Rallybio's additional paid-in capital	(359,932)
Rallybio historical net assets	57,956
Compensation expense related to Rallybio in connection with the Merger (Note A)	(5,400)
Recognition of liability related to CVR assets (Note C)	(2,976)
Rallybio's incremental stock-based compensation for acceleration of unvested awards (Note H)	(578)
Par value adjustment to historical Rallybio for proposed reverse stock split (Note J)	(4)
Total adjustments to derecognize Rallybio's historical additional paid-in capital	<u><u>\$ (310,934)</u></u>

- (G) To adjust the par value of common stock of the combined company expected to be outstanding at the Closing.
- (H) To reflect incremental stock-based compensation in the amount of \$0.6 million, not reflected in the historical financial statements, expected to be recognized on Closing related to the acceleration of Rallybio's equity awards in accumulated deficit and additional paid-in capital.
- (I) To reflect stock-based compensation in the amount of \$1.7 million, not reflected in the historical financial statements, expected to be recognized on Closing related to a cumulative catch-up for Candid's equity awards with both service and liquidity performance based vesting conditions in accumulated deficit and additional paid-in capital.
- (J) To adjust the par value of Rallybio after giving effect to the proposed reverse stock split at an assumed ratio of 1-for-2.5.

Pro Forma Adjustments to Unaudited Pro Forma Condensed Combined Statement of Operations

The adjustments included in the unaudited pro forma condensed combined statement for the year ended December 31, 2025, were as follows:

- (AA) To reflect the recognition of \$1.7 million in research and development expense and in general and administrative expense for stock-based compensation expected to be recognized on Closing related to a cumulative catch-up for Candid's equity awards with both service and liquidity performance based vesting conditions.
- (BB) To reflect the recognition of \$0.6 million estimated incremental stock-based compensation in research and development expense and in general and administrative expense, not reflected in the historical financial statements, due to the acceleration of Rallybio's equity awards.
- (CC) To reflect the recognition of \$3.0 million in general and administrative expense for the liability related to the Rallybio CVRs that are expected to remain with pre-Closing Rallybio stockholders upon the Closing.
- (DD) To reflect the recognition of \$5.4 million for estimated incremental compensation expense in general and administrative expense related to severance and change in control payments resulting from pre-existing employment agreements or severance plan arrangements that are expected to be incurred upon the Closing.

(EE) The pro forma basic and diluted net loss per common share have been adjusted to reflect the pro forma net loss for the year ended December 31, 2025. In addition, the number of shares used to calculate the pro forma basic and diluted net loss per common share has been adjusted to reflect the estimated total number of shares of common stock of the combined company that would be outstanding as of the date of the Closing, including the shares to be issued in the Concurrent Financing, as if they have been outstanding for the entirety of the period presented. For the year ended December 31, 2025, the pro forma weighted average common shares outstanding and pro forma net loss per common share, basic and diluted, were calculated as follows:

	YEAR ENDED DECEMBER 31, 2025
Pro forma net loss (in thousands)	\$ (111,837)
Rallybio weighted average common shares ⁽¹⁾	5,629,370
Rallybio weighted average common shares (restricted common stock subject to acceleration on Closing)	299,325
	5,928,695
Reverse stock split	2.5
Rallybio subtotal ^{(2)(a)}	2,371,478
Candid weighted average shares ⁽³⁾	141,521,816
Candid weighted average shares of convertible preferred stock	367,005,749
Candid weighted average Concurrent Financing common shares	360,658,753
Candid pro forma weighted average common shares outstanding – basic and diluted, pre-Exchange Ratio	869,186,318
Estimated Exchange Ratio and Concurrent Financing Exchange Ratio (rounded)	0.0716
Candid subtotal ^(b)	62,246,687
Pro forma weighted average common shares outstanding – basic and diluted, post-Exchange Ratio ^{(a) + (b)}	64,618,165
Pro forma net loss per common share – basic and diluted	\$ (1.73)

⁽¹⁾ From Rallybio's historical audited financial statements as of and for the year ended December 31, 2025.

⁽²⁾ Rallybio weighted average common shares after giving effect to the proposed reverse stock split at an assumed ratio of 1-for-2.5.

⁽³⁾ Includes 141,472,337 shares of Candid Common Stock issued as of December 31, 2025, and 49,479 shares of Candid Common Stock issued after December 31, 2025 to February 28, 2026. Also includes shares of Candid's restricted common stock subject to vesting conditions that are legally issued.

DESCRIPTION OF RALLYBIO CAPITAL STOCK

The following description of Rallybio Capital Stock and provisions of Rallybio's amended and restated certificate of incorporation and Rallybio's bylaws are summaries and are qualified by reference to such charter and bylaws and applicable provisions of the DGCL. Copies of Rallybio's amended and restated certificate of incorporation and Rallybio's bylaws are filed as exhibits to the registration statement of which this proxy statement/prospectus is a part.

General

Rallybio's authorized capital stock consists of 200,000,000 shares of Rallybio Common Stock, with a par value of \$0.0001 per share, and 50,000,000 shares of preferred stock, with a par value of \$0.0001 per share.

Common Stock

Holders of Rallybio Common Stock are entitled to one vote for each share held on all matters submitted to a vote of stockholders and do not have cumulative voting rights. An election of directors by Rallybio's stockholders shall be determined, in an uncontested election, by a majority of the votes cast by the stockholders entitled to vote on the election and, in a contested election, by a plurality of the votes cast by the stockholders entitled to vote on the election. Holders of Rallybio Common Stock are entitled to receive proportionately any dividends as may be declared by the Rallybio Board, subject to any preferential dividend rights of any series of preferred stock that Rallybio may designate and issue in the future.

In the event of our liquidation or dissolution, the holders of Rallybio Common Stock are entitled to receive an amount of Rallybio's net assets available for distribution to stockholders after the payment of all debts and other liabilities and subject to the prior rights of any outstanding preferred stock. Holders of Rallybio Common Stock have no preemptive, subscription, redemption or conversion rights. Outstanding shares of Rallybio Common Stock are validly issued, fully paid and nonassessable. The rights, preferences and privileges of holders of Rallybio Common Stock are subject to and may be adversely affected by the rights of the holders of shares of any series of preferred stock that Rallybio may designate and issue in the future.

Preferred Stock

Under the terms of Rallybio's amended and restated certificate of incorporation, the Rallybio Board is authorized to direct Rallybio to issue shares of preferred stock in one or more series without stockholder approval. The Rallybio Board has the discretion to determine the rights, preferences, privileges and restrictions, including voting rights, dividend rights, conversion rights, redemption privileges and liquidation preferences, of each series of preferred stock.

The purpose of authorizing the Rallybio Board to issue preferred stock and determine its rights and preferences is to eliminate delays associated with a stockholder vote on specific issuances. The issuance of preferred stock, while providing flexibility in connection with possible acquisitions, future financings and other corporate purposes, could have the effect of making it more difficult for a third-party to acquire, or could discourage a third-party from seeking to acquire, a majority of Rallybio's outstanding voting stock.

Pre-Funded Warrants

As of February 27, 2026, Rallybio had pre-funded warrants outstanding to purchase 416,673 shares of Rallybio Common Stock.

Each pre-funded warrant entitles the registered holder to purchase one share of Rallybio Common Stock at an exercise price of \$0.0008 per share of Rallybio Common Stock. The exercise price of the pre-funded warrants and the number of shares of Rallybio Common Stock issuable upon exercise of the pre-funded warrants is subject to appropriate adjustment in the event of certain stock dividends and distributions, stock splits, stock combinations, reclassifications or similar events affecting Rallybio Common Stock, as well as upon any distribution of assets, including cash, stock or other property, to Rallybio's stockholders. The pre-funded warrants have no expiration date and are exercisable, at the option of each holder, in whole or in part, by delivering notice and payment of the exercise price or by means of cashless exercise as further described in the pre-funded warrant.

Rallybio may not effect the exercise of any pre-funded warrant, and a holder will not be entitled to exercise any portion of any such warrant if, upon giving effect to such exercise, the aggregate number of shares of common stock beneficially owned by the holder (together with its affiliates, any other persons acting as a group together with the holder or any of the holder's affiliates, and any other persons whose beneficial ownership of common stock would or could be aggregated with the holder's for purposes of Section 13(d) or Section 16 of the Exchange Act) would exceed 9.99% of the number of shares of Rallybio Common Stock outstanding immediately after giving effect to the exercise, as such percentage ownership is determined in accordance with the terms of such pre-funded warrant, which percentage may be increased or decreased at the holder's election upon 61 days' notice to us subject to the terms of such pre-funded warrants, provided that such percentage may in no event exceed 19.99%.

Upon the consummation of a fundamental transaction (as described in the pre-funded warrants), the pre-funded warrants will automatically be converted into the right of the holder of such pre-funded warrant to receive the same kind and amount of securities, cash or other property that such holders would have received had they exercised the pre-funded warrants immediately prior to such fundamental transaction, without regard to any limitations on exercise contained in the pre-funded warrants.

Subject to applicable laws, the pre-funded warrants may be offered for sale, sold, transferred or assigned without Rallybio's consent.

Anti-takeover Effects of Rallybio's Amended and Restated Certificate of Incorporation, Amended and Restated Bylaws and the DGCL

Rallybio's amended and restated certificate of incorporation and amended and restated bylaws contain certain provisions that are intended to enhance the likelihood of continuity and stability in the composition of the Rallybio Board, but which may have the effect of delaying, deferring or preventing a future takeover or change in control of Rallybio unless such takeover or change in control is approved by the Rallybio Board.

These provisions include:

Classified board. Rallybio's amended and restated certificate of incorporation provides that the Rallybio Board is divided into three classes of directors, with the classes as nearly equal in number as possible. As a result, approximately one-third of the Rallybio Board will be elected each year. The classification of directors will have the effect of making it more difficult for stockholders to change the composition of the Rallybio Board. Rallybio's amended and restated certificate of incorporation also provides that, subject to any rights of holders of preferred stock to elect additional directors under specified circumstances, the number of directors will be fixed exclusively pursuant to a resolution adopted by the Rallybio Board.

Action by written consent; special meetings of stockholders. Rallybio's amended and restated certificate of incorporation provides that stockholder action can be taken only at an annual or special meeting of stockholders and cannot be taken by written consent in lieu of a meeting. Rallybio's amended and restated certificate of incorporation and Rallybio's amended and restated bylaws also provide that, except as otherwise required by law, special meetings of the stockholders can only be called pursuant to a resolution adopted by a majority of the Rallybio Board. Except as described above, stockholders will not be permitted to call a special meeting or to require the Rallybio Board to call a special meeting.

Removal of directors. Rallybio's amended and restated certificate of incorporation provides that Rallybio's directors may be removed only for cause by the affirmative vote of at least 75% of the voting power of our outstanding shares of capital stock, voting together as a single class. This requirement of a supermajority vote to remove directors could enable a minority of Rallybio's stockholders to prevent a change in the composition of the Rallybio Board.

Advance notice procedures. Rallybio's amended and restated bylaws establish an advance notice procedure for stockholder proposals to be brought before an annual meeting of Rallybio's stockholders, including proposed nominations of persons for election to the Rallybio Board. Stockholders at an annual meeting will only be able to consider proposals or nominations specified in the notice of meeting or brought before the meeting by or at the direction of the Rallybio Board or by a stockholder who was a stockholder of record on the record date for the meeting, who is entitled to vote at the meeting and who has given Rallybio's Secretary timely written notice, in proper form, of the stockholder's intention to bring that business before the meeting. Although Rallybio's amended

and restated bylaws do not give the Rallybio Board the power to approve or disapprove stockholder nominations of candidates or proposals regarding other business to be conducted at a special or annual meeting, Rallybio's amended and restated bylaws may have the effect of precluding the conduct of certain business at a meeting if the proper procedures are not followed or may discourage or deter a potential acquirer from conducting a solicitation of proxies to elect its own slate of directors or otherwise attempting to obtain control of Rallybio.

Supermajority approval requirements. The DGCL generally provides that the affirmative vote of a majority of the shares entitled to vote on any matter is required to amend a corporation's certificate of incorporation or bylaws, unless either a corporation's certificate of incorporation or bylaws requires a greater percentage. Rallybio's amended and restated certificate of incorporation and Rallybio's amended and restated bylaws provide that the affirmative vote of holders of at least 75% of the total votes eligible to be cast in the election of directors will be required to amend, alter, change or repeal specified provisions. This requirement of a supermajority vote to approve amendments to Rallybio's amended and restated certificate of incorporation and Rallybio's amended and restated bylaws could enable a minority of our stockholders to exercise veto power over any such amendments.

Authorized but unissued shares. Rallybio's authorized but unissued shares of Rallybio Common Stock and preferred stock are available for future issuance without stockholder approval. These additional shares may be utilized for a variety of corporate purposes, including future public offerings to raise additional capital, corporate acquisitions and employee benefit plans. The existence of authorized but unissued shares of Rallybio Common Stock and preferred stock could render more difficult or discourage an attempt to obtain control of a majority of Rallybio Common Stock by means of a proxy contest, tender offer, merger or otherwise.

Exclusive forum. Rallybio's amended and restated certificate of incorporation provides that, subject to limited exceptions, the state or federal courts within the State of Delaware will be exclusive forums for (1) any derivative action or proceeding brought on our behalf, (2) any action asserting a claim of breach of a fiduciary duty owed by any of Rallybio's directors, officers or other employees to Rallybio or Rallybio's stockholders, (3) any action asserting a claim against Rallybio arising pursuant to any provision of the DGCL, Rallybio's amended and restated certificate of incorporation or Rallybio's amended and restated bylaws, (4) any action to interpret, apply, enforce or determine the validity of Rallybio's amended and restated certificate of incorporation or Rallybio's amended and restated bylaws or (5) any other action asserting a claim against Rallybio that is governed by the internal affairs doctrine; provided that, the exclusive forum provision does not apply to suits brought to enforce any liability or duty created by the Exchange Act or to any claim for which the federal courts have exclusive jurisdiction. Rallybio's amended and restated certificate of incorporation also provides that, unless Rallybio consents in writing to the selection of an alternative forum, the U.S. federal district courts shall be the exclusive forum for the resolution of any claims arising under the Securities Act. Although Rallybio believes these provisions benefit Rallybio by providing increased consistency in the application of Delaware and certain federal securities law, these provisions may have the effect of discouraging lawsuits against Rallybio's directors and officers.

Section 203 of the DGCL

Rallybio is subject to the provisions of Section 203 of the DGCL. In general, Section 203 prohibits a publicly held Delaware corporation from engaging in a "business combination" with an "interested stockholder" for a three-year period following the time that this stockholder becomes an interested stockholder, unless the business combination is approved in a prescribed manner. A "business combination" includes, among other things, a merger, asset or stock sale or other transaction resulting in a financial benefit to the interested stockholder. An "interested stockholder" is a person who, together with affiliates and associates, owns, or did own within three years prior to the determination of interested stockholder status, 15% or more of the corporation's voting stock.

Under Section 203, a business combination between a corporation and an interested stockholder is prohibited unless it satisfies one of the following conditions: before the stockholder became interested, the corporation's board of directors approved either the business combination or the transaction which resulted in the stockholder becoming an interested stockholder; upon consummation of the transaction which resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, excluding for purposes of determining the voting stock outstanding, shares owned by persons who are directors and also officers, and employee stock plans, in some

instances; or at or after the time the stockholder became interested, the business combination was approved by the board of directors of the corporation and authorized at an annual or special meeting of the stockholders by the affirmative vote of at least two-thirds of the outstanding voting stock which is not owned by the interested stockholder.

A Delaware corporation may "opt out" of these provisions with an express provision in its original certificate of incorporation or an express provision in its certificate of incorporation or bylaws resulting from a stockholders' amendment approved by at least a majority of the outstanding voting shares. We have not opted out of these provisions. As a result, mergers or other takeover or change in control attempts of us may be discouraged or prevented.

Transfer Agent and Registrar

The transfer agent and registrar for Rallybio Common Stock is Computershare Trust Company, N.A.

COMPARISON OF RIGHTS OF HOLDERS OF RALLYBIO CAPITAL STOCK AND CANDID CAPITAL STOCK

General

Candid and Rallybio are both incorporated under the laws of the State of Delaware. The rights of Candid stockholders and Rallybio stockholders are generally governed by the DGCL. Upon completion of the Merger, Candid stockholders will become Rallybio stockholders, and their rights will be governed by the DGCL, the amended and restated bylaws of the combined company and the amended and restated certificate of incorporation of the combined company, as amended.

The material differences between the current rights of Candid stockholders under Candid's amended and restated certificate of incorporation and bylaws and their rights as Rallybio stockholders, after the Merger, under Rallybio's amended and restated certificate of incorporation and its amended and restated bylaws, both as will be in effect immediately following the completion of the Merger without giving effect to the increase of the authorized shares, are summarized below. The summary below does not purport to be complete and is subject to, and qualified in its entirety by reference to, the DGCL and the governing corporate instruments that are subject to amendment in accordance with their terms. You should carefully read this entire document and the other referenced documents, including the governing corporate instruments, for a more complete understanding of the differences between being a stockholder of Candid or Rallybio before the Merger and being a Rallybio stockholder following the completion of the Merger. For more information on how to obtain these documents, see the section titled "*Where You Can Find More Information*" of this proxy statement/prospectus.

Authorized Common Stock

Candid

Candid's amended and restated certificate of incorporation authorizes the issuance of up to 974,000,000 shares of Candid Common Stock, \$0.0001 par value per share, and 367,005,749 shares of Candid Preferred Stock, \$0.0001 par value per share, of which 105,000,000 shares are designated as "Series A-1 Preferred Stock," 89,999,985 shares are designated as "Series A-2 Preferred Stock," and 172,005,764 shares are designated as "Series B Preferred Stock."

Rallybio

Rallybio's authorized capital stock consists of 200,000,000 shares of common stock, \$0.0001 par value per share, and 50,000,000 shares of preferred stock, \$0.0001 par value per share.

The Merger Agreement contemplates an amendment to Rallybio's amended and restated certificate of incorporation in connection with the Closing to implement the reverse stock split.

Conversion Rights, Liquidation Preferences, and Protective Provisions

Candid

The amended and restated certificate of incorporation of Candid provides that each holder of shares of Candid Preferred Stock shall, subject to certain conditions, have the right to convert such shares into shares of Candid Common Stock at any time in accordance with the amended and restated certificate of incorporation of Candid. Each share of Candid Preferred Stock is convertible into 1.00 share of Candid Common Stock. The applicable conversion rates of each series of Candid Preferred Stock are subject to further adjustment if Candid issues additional shares of Candid Common Stock or options or other securities convertible into shares of Candid Common Stock at a price per share below the applicable conversion price of a series of Candid Preferred Stock, subject to certain customary exceptions. The current conversion prices of the Candid Preferred Stock are: \$1.00 per share of Candid Series A-1 convertible preferred stock, \$1.00 per share of Candid Series A-2 convertible preferred stock, and \$1.20 per share of Candid Series B convertible preferred stock.

The amended and restated certificate of incorporation of Candid provides that at any time when at least 73,401,150 shares of Candid Preferred Stock (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to Candid Preferred Stock) are outstanding, Candid shall

not, either directly or indirectly by amendment, merger, consolidation, amendment, transfer, continuance, recapitalization, reclassification, waiver, statutory conversion, or otherwise, effect any of the following acts or transactions, subject to certain exceptions, without the written consent or affirmative vote of a majority of the outstanding shares of Candid Preferred Stock, voting together as a single class on an as-converted to Candid Common Stock basis (which majority shall include (i) the holders of a majority of the outstanding shares of Candid Series B convertible preferred stock, exclusively and as a separate class on an as-converted to Candid Common Stock basis and (ii) the holders of a majority of the outstanding shares of Candid Series A convertible preferred stock, together as a single class on an as-converted to Candid Common Stock basis): (a) liquidate, dissolve or wind-up the business and affairs of Candid or effect any Deemed Liquidation Event (as defined below) or any other merger, consolidation, statutory conversion, transfer, domestication or continuance; (b) amend, alter or repeal any provision of the amended and restated certificate of incorporation or bylaws, as amended, of Candid; (c) create or issue or obligate itself to issue shares of, or reclassify, any Candid Capital Stock unless the same ranks junior to the Candid Preferred Stock with respect to its special rights, powers and preferences; (d) increase or decrease the authorized number of shares of Candid Common Stock, Candid Preferred Stock, or any additional class or series of Candid Capital Stock; (e) sell, issue, sponsor, create or distribute, or cause or permit any of its subsidiaries to sell, issue, sponsor, create or distribute, any digital tokens, cryptocurrency or other blockchain-based assets (collectively, "Tokens"), including through a pre-sale, initial coin offering, token distribution event or crowdfunding, or through the issuance of any instrument convertible into or exchangeable for Tokens; (f) purchase or redeem (or permit any subsidiary to purchase or redeem) or pay or declare any dividend or make any distribution on, any shares of Candid Capital Stock other than (i) redemptions of or dividends or distributions on Candid Preferred Stock as expressly authorized therein, (ii) dividends or other distributions payable on the Candid Common Stock solely in the form of additional shares of Candid Common Stock, and (iii) repurchases of stock from former employees, officers, directors, consultants or other persons who performed services for Candid or any subsidiary in connection with the cessation of such employment or service at no greater than the original purchase price thereof; (g) unless the aggregate indebtedness of Candid and its subsidiaries for borrowed money following such action would not exceed \$500,000, other than equipment leases, bank lines of credit or trade payable incurred in the ordinary course of business, create, or issue, any debt security, create any lien or security interest (except for purchase money liens or statutory liens of landlords, mechanics, materialmen, workmen, warehousemen and other similar persons arising or incurred in the ordinary course of business), or incur other indebtedness for borrowed money, including but not limited to obligations and contingent obligations under guarantees, or permit any subsidiary to take such action with respect to any debt security lien, security interest or other indebtedness for borrowed money; (h) create, or hold capital stock in, any subsidiary that is not wholly owned (either directly or through one or more other subsidiaries) by Candid, or permit any subsidiary to create, or issue or obligate itself to issue, any shares of any class or series of capital stock, or sell, transfer or otherwise dispose of any capital stock of any direct or indirect subsidiary of Candid, or permit any direct or indirect subsidiary to sell, lease, transfer, exclusively license or otherwise dispose (in a single transaction or series of related transactions) of all or substantially all of the assets of such subsidiary; (i) increase or decrease the authorized number of directors constituting the Candid Board, change the number of votes entitled to be cast by any director or directors on any matter, or adopt any provision inconsistent with granting each director one vote on each matter presented to the Candid Board; (j) increase the number of shares authorized for issuance under any equity or equity-linked compensation plan; (k) enter into any sale of control, exclusive license or any transaction in which all or substantially all of the assets of Candid are sold; or (l) enter into any agreement by Candid or its stockholders regarding a transaction or series of related transactions by merger, consolidation, share exchange or otherwise of Candid with a publicly traded "special purpose acquisition company" or subsidiary thereof.

The amended and restated certificate of incorporation of Candid provides that a "Deemed Liquidation Event," is (a) a merger, consolidation, statutory conversion, transfer, domestication, or continuance in which (i) Candid is a constituent party or (ii) a subsidiary of Candid is a constituent party and Candid issues shares of Candid Capital Stock pursuant to such merger, consolidation, statutory conversion, transfer, domestication, or continuance, except any such merger, consolidation, statutory conversion, transfer, domestication, or continuance involving Candid or a subsidiary in which the shares of Candid Capital Stock outstanding immediately prior to such merger, consolidation, statutory conversion, transfer, domestication, or continuance continue to represent, or are converted into or exchanged for shares of capital stock or other equity interests that represent, immediately following such merger, consolidation, statutory conversion, transfer, domestication, or continuance, a majority, by voting power, of the capital stock or other equity interests of (1) the surviving or resulting corporation or entity; or (2) if the surviving or

resulting corporation or entity is a wholly owned subsidiary of another corporation or entity immediately following such merger, consolidation, statutory conversion, transfer, domestication, or continuance, the parent corporation or entity of such surviving or resulting corporation or entity; or (b) (i) the sale, lease, transfer, exclusive license or other disposition, in a single transaction or series of related transactions, by Candid or any subsidiary of Candid of all or substantially all the assets of Candid and its subsidiaries taken as a whole, or (ii) the sale, lease, transfer, exclusive license or other disposition (whether by merger, consolidation, statutory conversion, domestication, continuance or otherwise, and whether in a single transaction or series of related transactions) of one or more subsidiaries of Candid if substantially all of the assets of Candid and its subsidiaries taken as a whole are held by such subsidiary or subsidiaries, except where such sale, lease, transfer, exclusive license or other disposition is to a wholly owned subsidiary of Candid.

In the event of any voluntary or involuntary liquidation, dissolution, winding up of Candid or a Deemed Liquidation Event, the holders the holders of shares of each series of Candid Preferred Stock are entitled to certain preferential payments out of the assets of Candid available for distribution to Candid's stockholders, and, in the case of a Deemed Liquidation Event, payable to Candid stockholders or received by Candid in a Deemed Liquidation Event (net of certain retained liabilities and expenses), on a pari passu basis based on their respective liquidation amounts, and before any payment shall be made to the holders of Candid Common Stock by reason of their ownership thereof, an amount per share of each such series of Candid Preferred Stock equal to the greater of (i) the applicable original issue price, plus any dividends declared but unpaid thereon, or (ii) such amount per share as would have been payable had all shares of such series of Candid Preferred Stock been converted into Candid Common Stock immediately prior to such liquidation, dissolution, winding up or Deemed Liquidation Event. After payment in full of all liquidation amounts required to be paid to the holders of shares of Candid Preferred Stock, the remaining assets of Candid available for distribution to Candid's stockholders, and, in the case of a Deemed Liquidation Event, payable to Candid stockholders or received by Candid in a Deemed Liquidation Event (net of certain retained liabilities and expenses), shall be distributed among the holders of Candid Common Stock, pro rata based on the number of shares of Candid Common Stock held by each such holder.

Rallybio

Holders of Rallybio Common Stock have no preemptive rights to subscribe for any shares of any class of Rallybio stock nor conversion rights to convert their common stock into or exchange their common stock for shares of any other class or classes or of any other series of the same class of Rallybio's capital stock. The rights, preferences and privileges of the holders of Rallybio Common Stock are subject to and may be adversely affected by the rights of the holders of shares of any series of Rallybio preferred stock that it may designate in the future.

Upon the dissolution, liquidation or winding up of the affairs of Rallybio, whether voluntary or involuntary, after payment or provision for payment of the debts and liabilities of Rallybio and of the preferential and other amounts, if any, to which the holders of preferred stock shall be entitled, holders of Common Stock shall be entitled to receive all assets of Rallybio available for distribution to its stockholders, ratably in proportion to the number of shares held by each such stockholder. A merger or consolidation of Rallybio with or into any other corporation or other entity or a sale or conveyance of all or any part of the Rallybio's assets, in any such case that does not in fact result in the liquidation of Rallybio and the distribution of assets to its stockholders, shall not be deemed to be a voluntary or involuntary liquidation or dissolution or winding up of the Corporation.

The Rallybio Board is authorized, subject to limitations prescribed by Delaware law, to issue up to 50,000,000 shares of preferred stock in one or more series, to establish from time to time the number of shares to be included in each series and to determine or alter for each such series, such voting powers, full or limited, or no voting powers and such designation, preferences, and relative, participating, optional, or other rights and such qualifications, limitations, or restrictions thereof. The Rallybio Board can also increase or decrease the number of shares of any series, but not below the number of shares of that series then outstanding, without any further vote or action by the company's stockholders. The Rallybio Board may authorize the issuance of preferred stock with voting or conversion rights that could adversely affect the voting power or other rights of the holders of the common stock. The issuance of preferred stock, while providing flexibility in connection with possible acquisitions and other corporate purposes, could, among other things, have the effect of delaying, deferring or preventing a change of control of Rallybio or other corporate action and may adversely affect the market price of Rallybio's common stock and the voting and other rights of the holders of common stock.

Number of Directors

Candid

Candid's bylaws, as amended, provide that Candid's authorized number of directors shall be fixed from time to time by the Candid Board. The Candid Board currently has six members.

Rallybio

Rallybio's amended and restated certificate of incorporation and amended and restated bylaws provide that, subject to any special rights of the holders of any series of preferred stock to elect directors, Rallybio's authorized number of directors shall be determined from time to time by resolution of the Rallybio Board. The Rallybio Board currently has ten members.

Stockholder Nominations and Proposals

Candid

Candid's bylaws, as amended, provide that stockholders seeking to present proposals before a meeting of stockholders or to nominate candidates for election as directors at a meeting of stockholders must provide written notice on a timely basis to Candid's secretary, which notice must contain certain information in order to be properly given, and must comply with certain solicitation requirements.

Rallybio

Rallybio's amended and restated bylaws provide that stockholders seeking to present proposals before a meeting of stockholders or to nominate candidates for election as directors at a meeting of stockholders must provide written notice on a timely basis and also specify requirements as to the form and content of a stockholder's notice.

Classification of Board of Directors

Candid

Candid's amended and restated certificate of incorporation and bylaws, as amended, do not provide for the division of the Candid Board into staggered classes.

Rallybio

Rallybio's amended and restated certificate of incorporation provides that the directors shall be divided into three classes, with each class having a three-year term expiring on a staggered basis.

Election of Directors

Candid

Candid's amended and restated certificate of incorporation provides that (i) the holders of record of the shares of Candid Series A-1 convertible preferred stock shall be entitled to elect one director to the Candid Board; (ii) the holders of record of the shares of Candid Series A-2 convertible preferred stock shall be entitled to elect one director to the Candid Board; (iii) the holders of record of the shares of Candid Series B convertible preferred stock shall be entitled to elect one director to the Candid Board; in each case of (i)-(iii), subject to certain outstanding share requirements applicable to such series of Candid Preferred Stock; (iv) the holders of record of the shares of Candid Common Stock shall be entitled to elect one director to the Candid Board; and (v) the holders of record of the shares of Candid Common Stock and of any other class or series of voting stock (including Candid Preferred Stock), voting together as a single class on an as-converted to Candid Common Stock basis, shall be entitled to elect the balance of the total number of directors of Candid (the "At-Large Directors").

Rallybio

Other than any directors elected by the separate vote of the holders of any class or series of preferred stock, the Rallybio Board is divided into three classes, designated as Class I, Class II and Class III. Directors are assigned to each class in accordance with a resolution or resolutions adopted by the Rallybio Board. Each director will serve for a term expiring at the annual meeting of stockholders to be held in the third year following the year of their election; provided that each director initially assigned to Class I will serve for a term expiring at Rallybio's first annual meeting of stockholders held following the filing of Rallybio's amended and restated certificate of incorporation; each director initially assigned to Class II will serve for a term expiring at Rallybio's second annual meeting of stockholders

following the filing Rallybio's amended and restated certificate of incorporation; and each director initially assigned to Class serve for a term expiring at Rallybio's third annual meeting of stockholders following the filing Rallybio's amended and restated certificate of incorporation. The term of each director will continue until his or her successor is duly elected and qualified or until his or her earlier death, resignation or removal.

Removal of Directors

Candid

Candid's bylaws, as amended, provide that, subject to any limitations imposed by applicable law and unless otherwise provided in Candid's amended and restated certificate of incorporation, any director may be removed from office at any time, with or without cause, by the affirmative vote of the holders of a majority of the voting power of all then-outstanding shares of Candid Capital Stock entitled to vote generally at an election of directors. If Candid is subject to Section 2115(b) of the California General Corporation Law (the "CGCL"), the Candid Board or any individual director may be removed from office at any time without cause in accordance with the CGCL.

Candid's amended and restated certificate of incorporation provides that if the holders of any class or series of any Candid Capital Stock are entitled to elect one or more directors by the provisions of Candid's amended and restated certificate of incorporation, such director(s) may removed without cause by, and only by, the affirmative vote of the holders of a majority of the shares of the class or series of Candid Capital Stock entitled to elect such director.

Rallybio

Rallybio's amended and restated certificate of incorporation provides that, except as may otherwise be provided by the DGCL and subject to the special rights of the holders of any series of preferred stock to elect directors, any individual Rallybio director may be removed only for cause and requires a stockholder vote by the holders of at least a 75% of the voting power of the then outstanding voting stock.

Vacancies on the Board of Directors

Candid

Candid's bylaws, as amended, provide that, unless otherwise provided in Candid's amended and restated certificate of incorporation, and subject to the rights of the holders of any series of Candid Preferred Stock, vacancies on the Candid Board may be filled by the affirmative vote of a majority of the directors then in office, even though less than a quorum, or by the sole remaining director; provided that, if the holders of any class or series of any Candid Capital Stock are entitled to elect one or more directors by the provisions of Candid's amended and restated certificate of incorporation, vacancies will be filled by a majority of the directors elected by such class or series, or by the sole remaining director so elected, unless the Candid Board determines by resolution that any such vacancies or newly created directorships must be filled by stockholders. Candid's amended and restated certificate of incorporation provides that if the holders of any class or series of any Candid Capital Stock who have a right to elect a director pursuant to the provisions of Candid's amended and restated certificate of incorporation fail to elect such director, then such directorship shall remain vacant until such time as such holders fill such directorship, except that a vacancy in any At-Large Director seat can be filled by either (a) the stockholders entitled to elect the At-Large Directors or (b) all of the director(s) then seated.

Rallybio

Rallybio's amended and restated certificate of incorporation and amended and restated bylaws provide that, subject to any limitations imposed by the DGCL, any vacancies on the Rallybio Board and any newly created directorships, shall be filled only by the affirmative vote of a majority of the directors then in office, even if less than a quorum or by the sole remaining director. However, any vacancy created by the removal of a director by the stockholders for cause shall be filled only by the affirmative vote of a majority of the outstanding shares of common stock.

Voting Stock

Candid

Candid's amended and restated certificate of incorporation provides that every stockholder shall be entitled to (i) one vote for each share of Candid Common Stock and (i) such number of votes equal to the whole number of shares of Candid Common Stock into which shares of Candid Preferred Stock held by such stockholder are convertible, in each case, held by them as of the record date for such meeting. Except as provided by law or the other provisions of

Candid's amended and restated certificate of incorporation, holders of Candid Preferred Stock vote together with the holders of Candid Common Stock as a single class and on an as-converted to Candid Common Stock basis.

Rallybio

The Rallybio Common Stock is entitled to one vote for each share held of record on all matters submitted to a vote of the stockholders.

Stockholder Action by Written Consent

Candid

Candid's bylaws, as amended, provide that any action required by statute to be taken at any annual or special meeting of the stockholders, or any action that may be taken at any annual or special meeting of the stockholders, may be taken without a meeting, without prior notice and without a vote, if a consent or consents setting forth the action so taken, will be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted.

Rallybio

Rallybio's amended and restated certificate of incorporation and its amended and restated bylaws do not provide for the right of stockholders to act by written consent without a meeting.

Notice of Stockholder Meeting

Candid

Candid's bylaws, as amended, provide that except as otherwise provided by statute, its amended and restated certificate of incorporation, or the bylaws, as amended, notice of each meeting of stockholders will be given not less than ten nor more than 60 days before the date of the meeting to each stockholder entitled to vote at such meeting, such notice to specify the place, if any, date and hour, in the case of special meetings, the purpose or purposes of the meeting, and the means of remote communications, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at any such meeting.

Notice to stockholders may be given in writing directed to the stockholder's mailing address (or by electronic transmission directed to the stockholder's electronic mail address) as it appears on the records of the corporation and will be given (1) if mailed, when the notice is deposited in the U.S. mail, postage prepaid; (2) if delivered by courier service, the earlier of when the notice is received or left at such stockholder's address; or (3) if given by electronic mail, when directed to such stockholder's electronic mail address unless the stockholder has notified Candid in writing or by electronic transmission of an objection to receiving notice by electronic mail or such notice is prohibited by the DGCL. Notice of the time, place, if any, and purpose of any meeting of stockholders may be waived in writing, signed by the person entitled to notice thereof or by electronic transmission by such person, either before or after such meeting, and will be waived by any stockholder by such stockholder's attendance thereat in person, by remote communication, if applicable, or by proxy, except when the stockholder attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Any stockholder so waiving notice of such meeting will be bound by the proceedings of any such meeting in all respects as if due notice thereof had been given.

Rallybio

Rallybio's amended and restated bylaws provide that written notice of a meeting of the stockholders shall be given not less than 10 nor more than 60 days before the date of the meeting to each stockholder entitled to vote at such meeting. The notice shall specify the place, if any, date and time, in the case of special meetings, the purpose or purposes of the meeting, and the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at any such meeting.

If mailed, notice is deemed given when deposited in the U.S. mail, postage prepaid, directed to the stockholder at such stockholder's address as it appears on Rallybio's records. Notice of the time, place, if any, and purpose of any meeting of stockholders may be waived in writing, signed by the person entitled to notice thereof, or by electronic transmission by such person, either before or after such meeting, and will be waived by any stockholder by his or her attendance thereat in person, by remote communication, if applicable, or by proxy, except when the stockholder

attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Any stockholder so waiving notice of such meeting shall be bound by the proceedings of any such meeting in all respects as if due notice thereof had been given.

Special Stockholder Meetings

Candid

Candid's bylaws, as amended, provide that a special meeting of the stockholders may be called at any time for any purpose or purposes, by (i) the chair of the Candid Board, (ii) Candid's Chief Executive Officer, (iii) the Candid Board pursuant to a resolution adopted by directors representing a quorum of the directors then serving on the Candid Board or (iv) the holders of shares entitled to cast not less than 20% of the voting power of all then-outstanding shares of Candid Capital Stock, and will be held at such place, on such date, and at such time as the Candid Board will fix; provided that, if Candid is subject to Section 2115(b) of the CGCL, stockholders holding 5% or more of Candid's outstanding shares will have the right to call a special meeting.

Rallybio

Rallybio's amended and restated certificate of incorporation and amended and restated bylaws provide that, subject to the special rights of the holders of any series of preferred stock, a special meeting of stockholders may be called by the chairperson of the Rallybio Board, Rallybio's Chief Executive Officer, Rallybio's President (in the absence of the Chief Executive Officer) or the Rallybio Board pursuant to a resolution adopted by a majority of the total number of directors which Rallybio would have if there were no vacancies. The Rallybio Board shall determine the date, time and place, if any, of such special meeting.

Transfer Restrictions

Candid

Candid's bylaws, as amended, generally restricts transfers of or encumbrances on shares of Candid Capital Stock (or any interest therein) and certain swap, short-sale and other derivative transactions involving such Candid Capital Stock, without first obtaining the approval of the Candid Board, subject to certain limited exceptions, and any such transactions are subject to a right of first refusal in favor of Candid.

Rallybio

Shares of Rallybio capital stock are transferable in the manner prescribed by the DGCL.

Indemnification

Candid

Candid has entered into separate indemnification agreements with certain of its directors and executive officers, in addition to the indemnification provided for in Candid's amended and restated certificate of incorporation and bylaws, as amended. The indemnification agreements and Candid's amended restated certificate of incorporation and bylaws, as amended, that will be in effect upon the Closing require the combined company to indemnify its directors, executive officers and agents to the fullest extent permitted by Candid's amended and restated certificate of incorporation, bylaws, as amended, and indemnification agreements. See the section titled "*Certain Relationships and Related Party Transactions of the Combined Company—Candid Related Party Transactions—Indemnification Agreements*" for more information on these arrangements.

Rallybio

Rallybio's amended and restated certificate of incorporation provides that to the fullest extent permitted by law, Rallybio is authorized to provide indemnification of (and advancement of expenses to) directors, officers, who is made a party to any proceeding, against all liability and loss suffered, including expenses, judgments, fines, and settlement amounts. Rallybio is also authorized to provide indemnification of (an advancement of expenses to) employees and agents of Rallybio (and any other persons to which applicable law permits Rallybio to provide indemnification).

Rallybio has entered into separate indemnification agreements with each of its directors and executive officers, in addition to the indemnification provided for in Rallybio's amended and restated certificate of incorporation.

Amendment of Certificate of Incorporation

Candid

The Candid Board and stockholders may amend, alter, change or repeal any provision of Candid's amended and restated certificate of incorporation in a manner prescribed by statute; provided that (i) any such amendment may be subject to the protective provisions described above, (ii) any repeal or modification of the provisions of Candid's amended and restated certificate of incorporation applicable to the limitation of liability of a director or officer of Candid or the indemnification of such directors, officers or agents shall not (a) adversely affect any right or protection of persons existing at the time of such amendment, repeal, modification or elimination; or (b) increase the liability of such person with respect to any acts or omissions of such person occurring prior to such amendment, repeal, modification or elimination, (iii) the affirmative vote of the Requisite holders is required to amend, repeal or adopt any provisions inconsistent with the provisions that renounce Candid's interest or expectancy in certain excluded opportunities.

Rallybio

Notwithstanding any other provisions in Rallybio's amended and restated certificate of incorporation or any provision of law which might otherwise permit a lesser percentage, but in addition to any other vote required by law or by Rallybio's amended and restated certificate of incorporation, the affirmative vote of the holders of at least 75% of the voting power of all of the then outstanding shares of common stock of Rallybio entitled to vote generally in the election of directors, voting together as a single class, shall be required to alter, amend or repeal Articles IV (Capitalization), V (Board of Directors), VI (Indemnification), paragraphs (a) and (b) of VII (Written Consent and Special Meetings) and VIII (Amendments) of Rallybio's amended and restated certificate of incorporation.

Amendment of Bylaws

Candid

Under Candid's amended and restated certificate of incorporation and bylaws, as amended, the Candid Board is expressly empowered to adopt, amend or repeal the bylaws, as amended, of Candid. The stockholders also have power to adopt, amend or repeal the bylaws, as amended, of Candid; provided, however, that, in addition to any vote of the holders of any class or series of Candid Capital Stock required by law or by the amended and restated certificate of incorporation, such action by stockholders requires the affirmative vote of the holders of a majority of the voting power of all then-outstanding shares of Candid Capital Stock entitled to vote generally in the election of directors, voting together as a single class.

Rallybio

Rallybio's amended and restated certificate of incorporation and amended and restated bylaws provide that the Rallybio Board is expressly empowered to adopt, alter, amend or repeal Rallybio's amended and restated bylaws. Rallybio's amended and restated certificate of incorporation also provides that the Rallybio stockholders shall also have power to adopt, amend or repeal Rallybio's amended and restated bylaws; *provided, however*, that, such action by stockholders shall require the affirmative vote of the holders of at least 75% of the voting power of all of the then-outstanding shares of Rallybio Common Stock entitled to vote with respect thereto, voting together as a single class.

Forum Selection

Candid

Candid's amended and restated certificate of incorporation provides that unless Candid consents in writing to the selection of an alternative forum, the Court of Chancery in the State of Delaware shall be the sole and exclusive forum for any stockholder (including a beneficial owner) to bring (i) any derivative action or proceeding brought on behalf of Candid, (ii) any action asserting a claim of breach of fiduciary duty owed by any director, officer or other employee of Candid to Candid or Candid's stockholders, (iii) any action asserting a claim against Candid, its directors, officers or employees arising pursuant to any provision of the DGCL or Candid's amended and restated certificate of incorporation or bylaws, as amended, or (iv) any action asserting a claim against Candid, its directors, officers or employees governed by the internal affairs doctrine or that otherwise relates to the internal affairs of Candid, except for, as to each of (i) through (iv) above, any claim as to which the Court of Chancery determines that there is an indispensable party not subject to the jurisdiction of the Court of Chancery (and the indispensable party does not consent to the personal jurisdiction of the Court of Chancery within ten days following such determination),

which is vested in the exclusive jurisdiction of a court or forum other than the Court of Chancery, or for which the Court of Chancery does not have subject matter jurisdiction.

Rallybio

Rallybio's amended and restated certificate of incorporation and amended and restated bylaws provide that, unless Rallybio consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware (or, if and only if the Court of Chancery of the State of Delaware dismisses a Covered Claim (as defined below) for lack of subject matter jurisdiction, any other state or federal court in the State of Delaware that does have subject matter jurisdiction) shall be the sole and exclusive forum for (A) any derivative claim brought on Rallybio's behalf; (B) any claim asserting a breach of a fiduciary duty owed to Rallybio or Rallybio's stockowners owed by any current or former director, officer or other employee or stockholder of Rallybio; (C) any claim against Rallybio arising pursuant to any provision of the DGCL, Rallybio's amended and restated certificate of incorporation or amended and restated bylaws (as each may be amended from time to time); (D) any claim to interpret, apply, enforce or determine the validity of Rallybio's amended and restated certificate of incorporation or amended and restated bylaws; or (E) any claim against Rallybio governed by the internal affairs doctrine (each of items (A) through (D), a "Covered Claim"). Notwithstanding the foregoing, these forum selection provisions do not apply to claims or causes of action brought to enforce a duty or liability created by the Securities Act or the Exchange Act, or any other claim for which the federal courts of the United States have exclusive jurisdiction.

SECURITIES ACT RESTRICTIONS ON RESALE OF COMBINED COMPANY COMMON STOCK

Pursuant to Rule 144, a person who has beneficially owned restricted combined company common stock for at least six months would be entitled to sell their securities provided that (i) such person is not deemed to have been an affiliate of the combined company at the time of, or at any time during the three months preceding, a sale and (ii) combined company is subject to the Exchange Act periodic reporting requirements for at least three months before the sale and have filed all required reports under Section 13 or 15(d) of the Exchange Act during the 12 months (or such shorter period as combined company was required to file reports) preceding the sale.

Persons who have beneficially owned restricted combined company common stock shares for at least six months but who are affiliates of combined company at the time of, or at any time during the three months preceding, a sale, would be subject to additional restrictions, by which such person would be entitled to sell within any three-month period only a number of securities that does not exceed the greater of:

- 1% of the total number of combined company common stock then outstanding; or
- the average weekly reported trading volume of the combined company common stock during the four calendar weeks preceding the filing of a notice on Form 144 with respect to the sale.

Sales by affiliates of combined company under Rule 144 are also limited by manner of sale provisions and notice requirements and to the availability of current public information about the combined company.

Restrictions on the Use of Rule 144 by Shell Companies or Former Shell Companies

Rule 144 is not available for the resale of securities initially issued by shell companies (other than business combination related shell companies) or issuers that have been at any time previously a shell company. However, Rule 144 also includes an important exception to this prohibition if the following conditions are met:

- the issuer of the securities that was formerly a shell company has ceased to be a shell company;
- the issuer of the securities is subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act;
- the issuer of the securities has filed all Exchange Act reports and material required to be filed, as applicable, during the preceding 12 months (or such shorter period that the issuer was required to file such reports and materials), other than Form 8-K reports; and
- at least one year has elapsed from the time that the issuer filed current Form 10 type information with the SEC reflecting its status as an entity that is not a shell company.

We anticipate that following the consummation of the Merger, the combined company will no longer be a shell company, and so, once the conditions set forth in the exceptions listed above are satisfied, Rule 144 will become available for the resale of the above noted restricted securities.

PRINCIPAL STOCKHOLDERS OF RALLYBIO

As of March 6, 2026, Rallybio had 5,289,675 shares of Rallybio Common Stock issued and outstanding. The table below shows certain information about the beneficial ownership of Rallybio Common Stock, as of March 6, 2026, by:

- each of Rallybio's directors,
- each of Rallybio's named executive officers, and
- all of Rallybio's directors and executive officers as a group.

In accordance with SEC rules, Rallybio has included in the column "Number of Shares Beneficially Owned" all shares of Rallybio Common Stock over which the person has sole or shared voting or investment power as of March 6, 2026, and all shares of Rallybio Common Stock that the person has the right to acquire within 60 days after March 6, 2026 through the exercise of any stock options. All shares that a person has a right to acquire within 60 days of March 6, 2026 are deemed outstanding for the purpose of computing the percentage beneficially owned by the person, but are not deemed outstanding for the purpose of computing the percentage beneficially owned by any other person. Unless otherwise indicated, each person has the sole power (or shares the power with a spouse) to invest and vote the shares of Rallybio Common Stock listed opposite the person's name. Where applicable, ownership is subject to community property laws. Our inclusion of shares in this table as beneficially owned is not an admission of beneficial ownership of those shares by the person listed in the table.

Name of Beneficial Owner	Number of Shares Beneficially Owned	Percentage of Shares Beneficially Owned
5% Stockholders:		
FMR LLC ⁽¹⁾	561,798	10.6%
Entities affiliated with Viking Global Investors LP ⁽²⁾	527,871	10.0%
Entities affiliated with Johnson & Johnson ⁽³⁾	454,545	8.6%
Entities affiliated with 5AM Ventures ⁽⁴⁾	291,788	5.5%
Entities affiliated with New Leaf Venture Partners ⁽⁵⁾	412,700	7.8%
Entities affiliated with TPG Inc. ⁽⁶⁾	378,551	7.2%
Entities affiliated with Pivotal bioVenture Partners ⁽⁷⁾	300,580	5.7%
Directors and Named Executive Officers:		
Stephen Uden, M.D. ⁽⁸⁾	172,651	3.3%
Helen M. Boudreau, M.B.A. ⁽⁹⁾	10,338	*
Wendy K. Chung, M.D., Ph.D. ⁽¹⁰⁾	8,151	*
Robert Hopfner, R.Ph., Ph.D., M.B.A. ⁽⁷⁾⁽¹¹⁾	317,914	6.0%
Ronald Hunt, M.B.A. ⁽⁵⁾⁽¹²⁾	437,658	8.3%
Lucian Iancovici, M.D.	—	*
Hui Liu, Ph.D., M.B.A. ⁽¹³⁾	17,399	*
Martin W. Mackay, Ph.D. ⁽¹⁴⁾	170,260	3.2%
Christine A. Nash, M.B.A. ⁽¹⁵⁾	7,638	*
Paula Soteropoulos ⁽¹⁶⁾	11,011	*
Jonathan I. Lieber, M.B.A. ⁽¹⁷⁾	43,192	*
Steven Ryder, M.D. ⁽¹⁸⁾	79,672	1.5%
All executive officers and directors as a group (12 persons) ⁽¹⁹⁾	562,604	10.6%

* Represents beneficial ownership of less than one percent of outstanding Rallybio Common Stock.

(1). Based on information contained in a Schedule 13G/A filed with the SEC on March 6, 2026 reporting beneficial ownership of FMR LLC and Abigail P. Johnson. FMR LLC reports sole voting power over 561,798 shares and sole dispositive power over 561,798 shares. Ms. Johnson reports sole dispositive power over 561,798 shares. The address of FMR LLC is 245 Summer Street, Boston, Massachusetts 02210.

- (2). Based solely on information contained in a Schedule 13G/A filed with the SEC on February 17, 2026 reporting beneficial ownership of Viking Global Investors LP, Viking Global Opportunities Rallybio GP LLC, Viking Global Opportunities GP LLC, Viking Global Opportunities Portfolio GP LLC, Viking Global Opportunities Illiquid Investments Sub-Master LP, and O. Andreas Halvorsen, David C. Ott and Rose S. Shabet (together with Viking Global Investors LP, Viking Global Opportunities Rallybio GP LLC, Viking Global Opportunities GP LLC, Viking Global Opportunities Portfolio GP LLC, Viking Global Opportunities Illiquid Investments Sub-Master LP, O. Andreas Halvorsen, David C. Ott and Rose S. Shabet (collectively, the "Viking Reporting Persons"). The Viking Reporting Persons report shared voting and dispositive power over 527,871 shares. Viking Global Opportunities Illiquid Investments Sub-Master LP acquired warrants with the right to purchase 416,673 shares. However, the terms of the warrants provide that no holder of warrants shall have the right to exercise any portion of the warrants to the extent that, after giving effect to such issuance after exercise, such holder of warrants (together with its affiliates, any "group" or any other persons whose beneficial ownership could be aggregated with the holders) would beneficially own more than 9.99% of the number of shares immediately following exercise (the "Blocker"). Any holder of warrants, upon notice to the Issuer, may increase or decrease the Blocker, subject to a maximum of 19.99%, but any such increase or decrease will not be effective until the 61st day after such notice is delivered to the Issuer. Accordingly, the amount of shares reported as beneficially owned by the Reporting Persons set forth herein excludes shares that the Reporting Persons do not currently have the right to purchase upon exercise of the warrants held directly by Viking Global Opportunities Illiquid Investments Sub-Master LP due to the Blocker. The address of each of the Viking Reporting Persons is 600 Washington Boulevard, Floor 11, Stamford, CT 06901.
- (3). Based on information contained in a Schedule 13G filed with the SEC on July 30, 2024 reporting beneficial ownership of Johnson & Johnson ("J&J") and Johnson & Johnson Innovation, Inc. ("J&J Innovation" and, together with J&J, the "J&J Reporting Persons"). J&J Innovation is a wholly owned subsidiary of J&J. The 454,545 shares reported as beneficially owned herein are directly beneficially owned by J&J Innovation. J&J may be deemed to indirectly beneficially own the securities that are directly beneficially owned by J&J Innovation. The J&J Reporting Persons report shared voting and dispositive power over the securities that are directly beneficially owned by J&J Innovation. The address of J&J is One Johnson & Johnson Plaza, New Brunswick, NJ 08901. The address of J&J Innovation is 410 George Street, New Brunswick, NJ 08901.
- (4). Based on information contained in a Form 4 filed with the SEC on February 27, 2026, reporting beneficial ownership of 5AM Opportunities I, L.P. ("Opportunities I"), 5AM Opportunities I (GP), LLC ("Opportunities GP"), 5AM Partners V, LLC ("Partners V"), 5AM Ventures V, L.P. ("Ventures V"), Andrew J. Schwab and Scott M. Rocklage (collectively, the "5AM Reporting Persons") and a Form 4 filed with the SEC on March 9, 2023 reporting beneficial ownership of Partners V, Ventures V, Andrew J. Schwab and Scott M. Rocklage. Opportunities I is the beneficial owner of 156,469 shares and Ventures V is the beneficial owner of 135,319 shares. Opportunities GP is the general partner of Opportunities I and may be deemed to have sole voting and dispositive power over the shares held by Opportunities I. Mr. Schwab and Dr. Parmar are each a Managing Member of Opportunities GP and may be deemed to have shared voting and dispositive power over the shares held by Opportunities I. Partners V is the general partner of Ventures V and may be deemed to have sole voting and dispositive power over the shares held by Ventures V. Each of Mr. Schwab, Dr. Parmar and Dr. Rocklage is a Managing Member of Partners V and may be deemed to have shared voting and dispositive power over the shares held by Ventures V. Dr. Parmar, a member of our Board of Directors until October 2024, is a Managing Member at Opportunities GP and Partners V, and may be deemed to have shared voting and dispositive power over all shares held by the 5AM Reporting Persons. Mr. Schwab, Dr. Parmar, Dr. Rocklage, Partners V and Opportunities GP disclaims beneficial ownership over the shares held by Ventures V and Opportunities I, as applicable. The address of each of the 5AM Reporting Persons is 501 2nd Street, Suite 350, San Francisco, California 94107.
- (5). Based on information contained in a Schedule 13G/A filed with the SEC on February 6, 2023 reporting beneficial ownership of New Leaf Ventures III, L.P. ("NLV-III"), New Leaf Venture Associates III, L.P. ("NLVA-III"), New Leaf Venture Management III, L.L.C. ("NLVM-III"), New Leaf Biopharma Opportunities II, L.P. ("NL BPO-II"), New Leaf BPO Associates II, L.P. ("NL BPOA-II") and New Leaf BPO Management II, L.L.C. ("NL BPOM-II"), and Mr. Hunt and Vijay Lathi (together with NLV-III, NLVA-III, NLVM-III, NL BPO-II, NL BPOA-II, NL BPOM-II and Mr. Hunt, the "New Leaf Reporting Persons"). Each of NLV-III, NLVA-III and NLVM-III report shared voting and dispositive power over 268,469 shares. Each of NL BPO-II, NL BPOA-II and NL BPOM-II report shared voting and dispositive power over 144,231 shares. Each of Mr. Hunt and Mr. Lathi report shared voting and dispositive power over 412,700 shares. Mr. Hunt, a member of our Board of Directors, is a Managing Director at New Leaf Venture Partners, and may be deemed to have shared voting and dispositive power over all shares held by the New Leaf Reporting Persons. The address of each of NLV-III, NLVA-III, NLVM-III, NL BPO-II, NL BPOA-II, NL BPOM-II, Mr. Hunt and Mr. Lathi is 156 Fifth Avenue, Suite 820, New York, NY 10010.
- (6). Based on information contained in a Schedule 13D/A filed with the SEC on March 3, 2026 reporting beneficial ownership of TPG GP A, LLC, David Bondeman, James G. Coulter and Jon Winkelried (collectively, the "TPG Reporting Persons"). The TPG Reporting Persons report shared voting and dispositive power over 378,551 shares. The address of each of the TPG Reporting Persons is c/o TPG Inc., 301 Commerce Street, Suite 3300, Fort Worth, Texas 76102.
- (7). Based on information contained in a Schedule 13D/A filed with the SEC on February 12, 2024 reporting beneficial ownership of Nan Fung Group Holdings Limited ("NFGHL"), NF Investment Holdings Limited ("NFIHL"), Nan Fung Life Sciences Holdings Limited ("Nan Fung Life Sciences"), Pivotal bioVenture Partners Fund I, L.P. ("Pivotal"), Pivotal bioVenture Partners Fund I G.P., L.P. ("Pivotal GP"), Pivotal bioVenture Partners Fund I U.G.P. Ltd. (the "Ultimate General Partner"), Pivotal Partners Ltd ("Pivotal Partners"), and Pivotal Life Sciences Holdings Limited ("Pivotal Life Sciences," and together with Pivotal, Pivotal GP, Ultimate General Partner and Pivotal Partners, the "Pivotal Entities," and together with NFGHL, NFIHL, Nan Fung Life Sciences, Pivotal, Pivotal GP, the Ultimate General Partner and Pivotal Partners, the "Pivotal Reporting Persons"). The Pivotal Reporting Persons report shared voting and dispositive power over 300,580 shares. Dr. Hopfner, a member of our Board of Directors, is a General Partner at Pivotal bioVenture Partners, and may be deemed to have shared voting and dispositive power over all shares held by the Pivotal

Reporting Persons. The address of each of the Pivotal Entities is 501 Second Street, Suite 200, San Francisco, CA 94107. The address of NFGHL is 23rd Floor, Nan Fung Tower, 88 Connaught Road Central and 173 Des Voeux Road Central, Central, Hong Kong. The address of NFIHL is Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands.

- (8). Includes 80,112 shares issuable to Dr. Uden upon the exercise of options held directly by Dr. Uden that are exercisable within 60 days following March 6, 2026.
- (9). Includes 7,358 shares issuable to Ms. Boudreau upon the exercise of options held directly by Ms. Boudreau that are exercisable within 60 days following March 6, 2026.
- (10). Includes 8,151 shares issuable to Dr. Chung upon the exercise of options held directly by Dr. Chung that are exercisable within 60 days following March 6, 2026.
- (11). Includes 17,334 shares issuable to Dr. Hopfner upon the exercise of options held directly by Dr. Hopfner that are exercisable within 60 days following March 6, 2026. See also Footnote 7
- (12). Includes 24,958 shares issuable to Mr. Hunt upon the exercise of options held directly by Mr. Hunt that are exercisable within 60 days following March 6, 2026. See also Footnote 5.
- (13). Includes 17,399 shares issuable to Dr. Liu upon the exercise of options held directly by Dr. Liu that are exercisable within 60 days following March 6, 2026.
- (14). Consists of (i) 37,251 shares held directly by Dr. Mackay, (ii) 54,562 shares held directly by a limited liability company, of which Dr. Mackay is the managing member, and (iii) 78,452 shares issuable to Dr. Mackay upon the exercise of options held directly by Dr. Mackay that are exercisable within 60 days following March 6, 2026. Dr. Mackay has sole voting and dispositive power over such shares, and is deemed to be the beneficial owner of such shares.
- (15). Includes 7,638 shares issuable to Ms. Nash upon the exercise of options held directly by Ms. Nash that are exercisable within 60 days following March 6, 2026.
- (16). Includes 8,029 shares issuable to Ms. Soteropoulos upon the exercise of options held directly by Ms. Soteropoulos that are exercisable within 60 days following March 6, 2026.
- (17). Includes 39,077 shares issuable to Mr. Lieber upon the exercise of options held directly by Mr. Lieber that are exercisable within 60 days following March 6, 2026.
- (18). Includes 54,288 shares issuable to Dr. Ryder upon the exercise of options held directly by Dr. Ryder that are exercisable within 60 days following March 6, 2026.
- (19). The beneficial ownership of all directors and executive officers.

PRINCIPAL STOCKHOLDERS OF CANDID

The following table sets forth information regarding beneficial ownership of the Candid Capital Stock as of February 28, 2026, by:

- each person, or group of affiliated persons, known by Candid to beneficially own more than 5% of the outstanding shares of Candid Common Stock;
- each of Candid's directors;
- each of Candid's named executive officers; and
- all of Candid's current executive officers and directors as a group.

The percentage of beneficial ownership prior to the Merger and the Concurrent Financing in the table below is based on 508,527,565 shares of Candid Common Stock outstanding as of February 28, 2026 and assumes the conversion of all outstanding shares of Candid's convertible preferred stock into 367,005,749 shares of Candid Common Stock as of February 28, 2026.

Beneficial ownership is determined in accordance with the rules of the SEC. These rules generally attribute beneficial ownership of securities to persons who possess sole or shared voting power or investment power with respect to those securities. In addition, the rules include shares of Candid Common Stock issuable pursuant to the exercise of stock options that are either immediately exercisable or exercisable on or before April 29, 2026, which is 60 days after February 28, 2026. These shares are deemed to be outstanding and beneficially owned by the person holding those options for the purpose of computing the percentage ownership of that person, but they are not treated as outstanding for the purpose of computing the percentage ownership of any other person. Unless otherwise indicated, Candid believes based on information provided to Candid, the persons or entities identified in this table have sole voting and investment power with respect to all shares shown as beneficially owned by them, subject to applicable community property laws.

Except as otherwise noted below, the address for each person or entity listed in the table is c/o Candid Therapeutics, Inc., 11622 El Camino Real, Suite 150, San Diego, CA 92130.

NAME AND ADDRESS OF BENEFICIAL OWNER	NUMBER OF SHARES BENEFICIALLY OWNED (#) OFFERING	PERCENTAGE OF SHARES BENEFICIALLY OWNED (%)
Greater than 5% Stockholders		
Entities affiliated with Third Rock Ventures ⁽¹⁾	73,950,002	14.5%
Entities affiliated with Foresite Capital ⁽²⁾	69,174,996	13.6%
Song Beneficiary Trust U/T/A November 6, 2024 ⁽³⁾	33,060,000	6.5%
Named Executive Officers, Other Officers, and Directors:		
Ken Song, M.D. ⁽⁴⁾	10,339,105	2.0%
Tim Lu, M.D., Ph.D. ⁽⁵⁾	10,765,360	2.1%
Arvind Kush ⁽⁶⁾	7,832,400	1.5%
Dan Puckett ⁽⁷⁾	1,838,750	*
Michael Rome, Ph.D.	—	*
Aaron Royston, M.D.	—	*
Jeffrey Tong, Ph.D.	—	*
Angie You, Ph.D. ⁽⁸⁾	1,838,750	*
All current executive officers and directors as a group (9 persons) ⁽⁹⁾	37,213,805	7.1%

* Represents beneficial ownership of less than 1%.

(1) Consists of (i) 5,887,002 shares of Candid Common Stock and 14,999,996 shares of Candid Common Stock issuable upon conversion of Candid Series A-2 convertible preferred stock, in each case, held by Third Rock Ventures V, L.P. ("TRV V"), and (ii) 15,062,998 shares of Candid Common Stock and 38,000,006 shares of Candid Common Stock issuable upon conversion of

Candid Series A-2 convertible preferred stock, in each case, held by Third Rock Ventures VI, L.P. ("TRV VI"). The sole general partner of TRV V is Third Rock Ventures GP V, L.P. ("TRV GP V LLC"). The sole general partner of TRV GP V is TRV GP V, LLC ("TRV GP V LLC"). The sole general partner of TRV VI is Third Rock Ventures GP VI, L.P. ("TRV GP VI"). The sole general partner of TRV GP VI is TRV GP VI, LLC ("TRV GP VI LLC"). Abbie Celniker, Ph.D., Robert Tepper, M.D., Reid Huber, Ph.D., Jeffrey Tong, Ph.D., Kevin Gillis, Neil Exter and Cary Pfeffer, M.D. are the managing members of TRV GP V and TRV GP VI and collectively make voting and investment decisions with respect to shares held by TRV V and TRV VI. David Kaufman is also a managing member of TRV GP VI and contributes to voting decisions with respect to shares held by TRV VI. Dr. Tong is a member of the Candid Board. The principal address for the entities and individuals named in this paragraph is 201 Brookline Avenue, Suite 1401, Boston, Massachusetts 02215.

- (2) Consists of (i) 30,151,909 shares of Candid Common Stock issuable upon conversion of Candid Series A-1 convertible preferred stock and 19,199,999 shares of Candid Common Stock issuable upon conversion of Candid Series A-2 convertible preferred stock, in each case, held by Foresite Capital Fund VI LP ("Fund VI"), (ii) 2,835,591 shares of Candid Common Stock issuable upon conversion of Candid Series A-1 convertible preferred stock and 2,799,997 shares of Candid Common Stock issuable upon conversion of Candid Series A-2 convertible preferred stock, in each case, held by Foresite Labs Fund I, L.P. ("Labs Fund"), (iii) 10,631,250 shares of Candid Common Stock held by Foresite Labs Affiliates 2024, LLC ("Labs Affiliates"), (iv) 3,543,750 shares of Candid Common Stock held by Foresite Therapeutics 2024, LLC ("Foresite Therapeutics"), and (v) 12,500 shares of Candid Common Stock issuable upon conversion of Candid Series A-1 convertible preferred stock held by Labs Co-Invest VI LLC ("Co-Invest"). Foresite Capital Management VI, LLC ("FCM VI") is the general partner of Fund VI and the managing member of Co-Invest and may be deemed to have sole voting and dispositive power over the shares held by Fund VI and Co-Invest, Foresite Labs Management I, LLC ("FLM I") is the general partner of Labs Fund and may be deemed to have sole and dispositive power over the shares held by Labs Fund, Foresite Labs, LLC ("Labs LLC") is the managing member of Labs Affiliates and may be deemed to have sole and dispositive power over the shares held by Labs Affiliates, Foresite Capital Management, LLC ("FCM") is the managing member of Foresite Therapeutics and may be deemed to have sole and dispositive power over the shares held by Foresite Therapeutics. James B. Tananbaum, M.D. is the managing member of FCM, FCM VI, and FLM I and may be deemed to have sole voting and dispositive power over the shares held by Fund VI, Co-Invest, Labs Fund and Foresite Therapeutics. Dr. Tananbaum is also a manager of Labs LLC and may be deemed to share voting and dispositive power over the shares held by Labs Affiliates. Each entity and Dr. Tananbaum disclaims beneficial ownership of these shares except to the extent of their respective pecuniary interests therein. The business address of Dr. Tananbaum and each of the entities listed above is 900 Larkspur Landing Circle, Suite 150, Larkspur, CA 94939.
- (3) Consists of 33,060,000 shares of Candid Common Stock held The Song Beneficiary Trust U/T/A November 6, 2024 (the "Song Beneficiary Trust"), 17,218,750 of which are restricted shares subject to Candid's right of repurchase within 60 days after February 28, 2026. Argos Trust Company is the trustee of the Song Beneficiary Trust (the "Song Trustee"). Each of Elizabeth Warren, Abbi Kirchner, Richard Kuehnle, and Ashley Blake are members of the Trust Committee of the Song Trustee and may be deemed to share voting and dispositive power over the shares held by the Song Beneficiary Trust. Dr. Song, Yu Linda Song and their children are beneficiaries of the Song Beneficiary Trust. The address of the Song Trustee is 101 W. 69th Street, Ste 201, RM ARTC 222, Sioux Falls, SD 57108.
- (4) Consists of (i) 10,000,000 shares of Candid Common Stock issuable upon exercise of options held by The Song Family Trust, dated October 14, 2016 (the "Song Family Trust"), all of which will be unvested but exercisable by Dr. Song within 60 days of February 28, 2026, and (ii) 339,105 shares of Candid Common Stock issuable upon conversion of Candid Series B convertible preferred stock held by the Song 2016 Children's Trust dated October 14, 2016 (the "Song Children's Trust"). Dr. Song and Yu Linda Song are trustees of the Song Family Trust and the Song Children's Trust, and may be deemed to beneficially own the shares held by the Song Family Trust and the Song Children's Trust.
- (5) Consists of (i) 9,565,360 shares of Candid Common Stock held by Dr. Lu, 5,181,274 of which are restricted shares subject to Candid's right of repurchase within 60 days of February 28, 2026, and (ii) 1,200,000 shares of Candid Common Stock issuable upon exercise of options, all of which will be unvested but exercisable by Dr. Lu within 60 days of February 28, 2026.
- (6) Consists of (i) 3,526,400 shares of Candid Common Stock held Mr. Kush, 1,836,704 of which are restricted shares subject to Candid's right of repurchase within 60 days after February 28, 2026, (ii) 1,653,000 shares of Candid Common Stock held by The Smilee Green Trust Dated August 13, 2024 ("Trust I"), 860,938 of which are restricted shares subject to Candid's right of repurchase within 60 days after February 28, 2026, (iii) 1,653,000 shares of Candid Common Stock held by The City Park Trust Dated August 13, 2024 ("Trust II"), 860,938 of which are restricted shares subject to Candid's right of repurchase within 60 days after February 28, 2026, and (iv) 1,000,000 shares of Candid Common Stock issuable upon exercise of options, all of which will be unvested but exercisable by Mr. Kush within 60 days of February 28, 2026. Mr. Kush and Maya Venkataramani are trustees of each of Trust I and Trust II, and may be deemed to beneficially own the shares held by Trust I and Trust II.
- (7) Consists of (i) 1,638,750 shares of Candid Common Stock issuable upon exercise of options, 819,375 of which will be unvested but exercisable by Mr. Puckett within 60 days of February 28, 2026, and (ii) 200,000 shares of Candid Common Stock issuable upon exercise of options, all of which will be unvested but exercisable by Mr. Puckett within 60 days of February 28, 2026.
- (8) Consists of (i) 1,638,750 shares of Candid Common Stock held by Dr. You, 819,375 of which are restricted shares subject to Candid's right of repurchase within 60 days of February 28, 2026, and (ii) 200,000 shares of Candid Common Stock issuable upon exercise of options, all of which will be unvested but exercisable by Dr. You within 60 days of February 28, 2026.
- (9) Consists of (i) the shares described in notes (4) through (8) above, and (ii) 4,099,440 shares of Candid Common Stock held by Dr. Huyghe, 2,220,530 of which are restricted shares subject to Candid's right of repurchase within 60 days of February 28, 2026, and 500,000 shares of Candid Common Stock issuable upon exercise of options, all of which will be unvested but exercisable by Dr. Huyghe within 60 days of February 28, 2026.

PRINCIPAL STOCKHOLDERS OF THE COMBINED COMPANY

The following table sets forth information regarding beneficial ownership of the combined company's capital stock immediately after consummation of the Merger and the Concurrent Financing, assuming the consummation of the Merger occurred as of February 28, 2026, by:

- each person, or group of affiliated persons, expected by Rallybio and Candid to become the beneficial owners of more than 5% of the combined company's outstanding common stock;
- each person expected to be a director of the combined company;
- each person expected to be a named executive officer of the combined company; and
- all of the combined company's expected executive officers and directors as a group.

The table lists applicable percentage ownership based on 64,362,557 shares of combined company common stock expected to be outstanding immediately following the consummation of the Merger, is based on Rallybio's and Candid's capitalization as of February 28, 2026, and assumes (i) no exercise of outstanding options to purchase shares of Candid Common Stock, outstanding options to purchase Rallybio Common Stock or outstanding Rallybio pre-funded warrants prior to the Closing, (ii) Rallybio Net Cash of \$37.5 million as of the Closing, (iii) an estimated Exchange Ratio of 0.0716, (iv) an assumed Concurrent Financing Exchange Ratio of 0.0716 per share (v) a Concurrent Financing of \$505.5 million, (vi) a reverse stock split of Rallybio Common Stock of 1-for-2.5 and (vii) the Closing on February 28, 2026. Immediately after the Closing, under the Exchange Ratio and Concurrent Financing Exchange Ratio formulas in the Merger Agreement, pre-Merger equityholders of Candid (other than Investors in the Concurrent Financing) are expected to own approximately 57.55% of the combined company, pre-Merger equityholders of Rallybio are expected to own approximately 3.65% of the combined company and the Investors in the Concurrent Financing are expected to own approximately 38.80% of the combined company (assuming a Concurrent Financing of \$505.5 million), in each case, calculated on a fully diluted basis, using the treasury stock method, and subject to certain assumptions, including (a) a valuation for Rallybio of \$47.5 million (assuming Rallybio Net Cash of \$37.5 million as of the Closing), (b) a fixed valuation for Candid of \$750.0 million, and (c) the relative capitalization of Rallybio and Candid. The percentage of the combined company that each party's equity holders will own following the Closing is subject to certain adjustments as described in the Merger Agreement, including the amount of the final Rallybio Net Cash at Closing. There can be no assurances any of these assumptions will be accurate at the Closing.

Beneficial ownership is determined in accordance with the rules of the SEC. These rules generally attribute beneficial ownership of securities to persons who possess sole or shared voting power or investment power with respect to those securities. In addition, the rules include shares of common stock issuable pursuant to the exercise of stock options or pre-funded warrants that are either immediately exercisable or exercisable on or before April 29, 2026, which is 60 days after February 28, 2026. These securities are deemed to be outstanding and beneficially owned by the person holding those options or pre-funded warrants for the purpose of computing the percentage ownership of that person, but they are not treated as outstanding for the purpose of computing the percentage ownership of any other person. Unless otherwise indicated, Rallybio and Candid believe based on information provided to Rallybio and Candid, the persons or entities identified in this table have sole voting and investment power with respect to all shares shown as beneficially owned by them, subject to applicable community property laws.

Except as otherwise noted below, the address for each person or entity listed in the table is c/o Candid Therapeutics, Inc., 11622 El Camino Real, Suite 150, San Diego, CA 92130.

NAME AND ADDRESS OF BENEFICIAL OWNER	NUMBER OF SHARES BENEFICIALLY OWNED (#) OFFERING	PERCENTAGE OF SHARES BENEFICIALLY OWNED (%)
5% or Greater Stockholders		
Entities affiliated with Third Rock Ventures ⁽¹⁾	5,294,820	8.2%
Entities affiliated with Foresite Capital ⁽²⁾	5,668,459	8.8%
Entities affiliated with Venrock ⁽³⁾	4,047,125	6.3%
FMR LLC ⁽⁴⁾	3,620,751	5.6%
Named Executive Officers, Other Officers, and Directors:		
Ken Song, M.D. ⁽⁵⁾	740,280	1.1%
Tim Lu, M.D., Ph.D. ⁽⁶⁾	770,800	1.2%
Arvind Kush ⁽⁷⁾	560,800	*
Dan Puckett ⁽⁸⁾	131,654	*
Michael Rome, Ph.D.	—	*
Aaron Royston, M.D.	—	*
Jeffrey Tong, Ph.D.	—	*
Angie You, Ph.D. ⁽⁹⁾	131,655	*
All current executive officers and directors as a group (9 persons) ⁽¹⁰⁾	2,664,509	4.1%

* Represents beneficial ownership of less than 1%.

- (1) Consists of (i) 1,495,509 shares of combined company common stock held by Third Rock Ventures V, L.P. ("TRV V"), and (ii) 3,799,311 shares of combined company common stock held by Third Rock Ventures VI, L.P. ("TRV VI"). The sole general partner of TRV V is Third Rock Ventures GP V, L.P. ("TRV GP V LLC"). The sole general partner of TRV GP V is TRV GP V, LLC ("TRV GP V LLC"). The sole general partner of TRV VI is Third Rock Ventures GP VI, L.P. ("TRV GP VI"). The sole general partner of TRV GP VI is TRV GP VI, LLC ("TRV GP VI LLC"). Abbie Celniker, Ph.D., Robert Tepper, M.D., Reid Huber, Ph.D., Jeffrey Tong, Ph.D., Kevin Gillis, Neil Exter and Cary Pfeffer, M.D. are the managing members of TRV GP V and TRV GP VI and collectively make voting and investment decisions with respect to shares held by TRV V and TRV VI. David Kaufman is also a managing member of TRV GP VI and contributes to voting decisions with respect to shares held by TRV VI. Dr. Tong is a member of the Candid Board. The principal address for the entities and individuals named in this paragraph is 201 Brookline Avenue, Suite 1401, Boston, Massachusetts 02215.
- (2) Consists of (i) 4,249,125 shares of combined company common stock held by Foresite Capital Fund VI LP ("Fund VI"), (ii) 403,508 shares of combined company common stock held by Foresite Labs Fund I, L.P. ("Labs Fund"), (iii) 761,198 shares of combined company common stock held by Foresite Labs Affiliates 2024, LLC ("Labs Affiliates"), (iv) 253,733 shares of combined company common stock held by Foresite Therapeutics 2024, LLC ("Foresite Therapeutics"), and (v) 895 shares of combined company common stock held by Labs Co-Invest VI LLC ("Co-Invest"). Foresite Capital Management VI, LLC ("FCM VI") is the general partner of Fund VI and the managing member of Co-Invest and may be deemed to have sole voting and dispositive power over the shares held by Fund VI and Co-Invest. Foresite Labs Management I, LLC ("FLM I") is the general partner of Labs Fund and may be deemed to have sole and dispositive power over the shares held by Labs Fund. Foresite Labs, LLC ("Labs LLC") is the managing member of Labs Affiliates and may be deemed to have sole and dispositive power over the shares held by Labs Affiliates. Foresite Capital Management, LLC ("FCM") is the managing member of Foresite Therapeutics and may be deemed to have sole and dispositive power over the shares held by Foresite Therapeutics. James B. Tananbaum, M.D. is the managing member of FCM, FCM VI, and FLM I and may be deemed to have sole voting and dispositive power over the shares held by Fund VI, Co-Invest, Labs Fund and Foresite Therapeutics. Dr. Tananbaum is also a manager of Labs LLC and may be deemed to share voting and dispositive power over the shares held by Labs Affiliates. Each entity and Dr. Tananbaum disclaims beneficial ownership of these shares except to the extent of their respective pecuniary interests therein. The business address of Dr. Tananbaum and each of the entities listed above is 900 Larkspur Landing Circle, Suite 150, Larkspur, CA 94939.
- (3) Consists of (i) 3,332,745 shares of combined company common stock held by Venrock Healthcare Capital Partners EG, L.P. ("VHCP EG"), (ii) 649,519 shares of combined company common stock held by Venrock Healthcare Capital Partners III, L.P. ("VHCP III") and (iii) 64,861 shares of combined company common stock held by VHCP Co-Investment Holdings III, LLC ("VHCP Co-Investment"). VHCP Management EG, LLC ("VHCPM EG") is the sole general partner of VHCP EG. VHCP Management III, LLC ("VHCPM III") is the sole general partner of VHCP III and the sole manager of VHCP Co-Investment. Dr. Bong Koh and Nimish Shah are the voting members of VHCPM and VHCPM EG. The principal business address of Venrock is 7 Bryant Park, 23rd Floor, New York, NY 10018, United States.

- (4) Consists of 3,602,751 shares of combined company common stock beneficially owned, or that may be deemed to be beneficially owned, by FMR LLC, certain of its subsidiaries and affiliates, and other companies. Abigail P. Johnson is a Director, the Chairman and the Chief Executive Officer of FMR LLC. Members of the Johnson family, including Abigail P. Johnson, are the predominant owners, directly or through trusts, of Series B voting common shares of FMR LLC, representing 49% of the voting power of FMR LLC. The Johnson family group and all other Series B shareholders have entered into a shareholders' voting agreement under which all Series B voting common shares will be voted in accordance with the majority vote of Series B voting common shares. Accordingly, through their ownership of voting common shares and the execution of the shareholders' voting agreement, members of the Johnson family may be deemed, under the Investment Company Act of 1940, to form a controlling group with respect to FMR LLC. The address of FMR LLC is 245 Summer Street, Boston, MA 02210.
- (5) Consists of (i) 716,000 shares of combined company common stock issuable upon exercise of options held by The Song Family Trust, dated October 14, 2016 (the "Song Family Trust"), all of which will be unvested but exercisable by Dr. Song within 60 days of February 28, 2026, and (ii) 24,280 shares of combined company common stock held by the Song 2016 Children's Trust dated October 14, 2016 (the "Song Children's Trust"). Dr. Song and Yu Linda Song are trustees of the Song Family Trust and the Song Children's Trust, and may be deemed to beneficially own the shares held by the Song Family Trust and the Song Children's Trust. Does not include 2,367,096 shares of combined company common stock held The Song Beneficiary Trust U/T/A November 6, 2024 (the "Song Beneficiary Trust"), 1,232,863 of which are restricted shares subject to the combined company's right of repurchase within 60 days after February 28, 2026. Dr. Song, Yu Linda Song and their children are beneficiaries of the Song Beneficiary Trust but voting and dispositive power over the shares held by the Song Beneficiary Trust is held by an independent third-party trustee.
- (6) Consists of (i) 684,880 shares of combined common stock held by Dr. Lu, 370,979 of which are restricted shares subject to the combined company's right of repurchase within 60 days of February 28, 2026, and (ii) 85,920 shares of combined company common stock issuable upon exercise of options, all of which will be unvested but exercisable by Dr. Lu within 60 days of February 28, 2026.
- (7) Consists of (i) 252,490 shares of combined company common stock held Mr. Kush, 131,508 of which are restricted shares subject to Candid's right of repurchase within 60 days after February 28, 2026, (ii) 118,355 shares of combined company common stock held by The Smilee Green Trust Dated August 13, 2024 ("Trust I"), 61,643 of which are restricted shares subject to the combined company's right of repurchase within 60 days after February 28, 2026, (iii) 118,355 shares of combined company common stock held by The City Park Trust Dated August 13, 2024 ("Trust II"), 61,643 of which are restricted shares subject to the combined company's right of repurchase within 60 days after February 28, 2026, and (iv) 71,600 shares of combined company common stock issuable upon exercise of options, all of which will be unvested but exercisable by Mr. Kush within 60 days of February 28, 2026. Mr. Kush and Maya Venkataramani are trustees of each of Trust I and Trust II, and may be deemed to beneficially own the shares held by Trust I and Trust II.
- (8) Consists of (i) 117,335 shares of combined company common stock issuable upon exercise of options, 58,667 of which will be unvested but exercisable by Mr. Puckett within 60 days of February 28, 2026, and (ii) 14,320 shares of combined company common stock issuable upon exercise of options, all of which will be unvested but exercisable by Mr. Puckett within 60 days of February 28, 2026.
- (9) Consists of (i) 117,335 shares of combined company common stock held by Dr. You, 58,667 of which are restricted shares subject to the combined company's right of repurchase within 60 days of February 28, 2026, and (ii) 14,320 shares of combined company common stock issuable upon exercise of options, all of which will be unvested but exercisable by Dr. You within 60 days of February 28, 2026.
- (10) Consists of (i) the shares described in notes (5) through (9) above, and (ii) 293,520 shares of combined company common stock held by Dr. Huyghe, 158,990 of which are restricted shares subject to the combined company's right of repurchase within 60 days of February 28, 2026, and 35,800 shares of common stock issuable upon exercise of options, all of which will be unvested but exercisable by Dr. Huyghe within 60 days of February 28, 2026.

LEGAL MATTERS

Ropes & Gray LLP, Boston, Massachusetts, will pass upon the validity of Rallybio's Common Stock offered by this proxy statement/prospectus.

EXPERTS

The financial statements of Rallybio Corporation as of December 31, 2025 and 2024, and for each of the two years in the period ended December 31, 2025, included in this proxy statement/prospectus, have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report. Such financial statements are included in reliance upon the report of such firm given their authority as experts in accounting and auditing.

The financial statements of Candid Therapeutics, Inc. as of December 31, 2025 and 2024, and for the year ended December 31, 2025 and period from May 1, 2024 (inception) to December 31, 2024, included in this proxy statement/prospectus, have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report. Such financial statements are included in reliance upon the report of such firm given their authority as experts in accounting and auditing.

The financial statements of Vignette Bio, Inc. for the period from January 1, 2024 through August 19, 2024, included in this proxy statement/prospectus, have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report. Such financial statements are included in reliance upon the report of such firm given their authority as experts in accounting and auditing.

The financial statements of TRC 2004, Inc. for the period from January 1, 2024 through August 19, 2024, included in this proxy statement/prospectus, have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report. Such financial statements are included in reliance upon the report of such firm given their authority as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

Rallybio is subject to the informational requirements of the Exchange Act and in accordance therewith, files annual, quarterly and current reports, proxy statements and other information with the SEC electronically, and the SEC maintains a website that contains Rallybio's filings as well as reports, proxy and information statements, and other information issuers file electronically with the SEC at www.sec.gov.

Rallybio also makes available free of charge on or through its website at www.rallybio.com, its Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act as soon as reasonably practicable after Rallybio electronically files such material with or otherwise furnishes it to the SEC. The website addresses for the SEC and Rallybio are inactive textual references and except as specifically incorporated by reference into this proxy statement/prospectus, information on or accessible from those websites is not part of this proxy statement/prospectus.

Rallybio has filed with the SEC a registration statement on Form S-4, of which this proxy statement/prospectus is a part, under the Securities Act to register the shares of Rallybio Common Stock to be issued to Candid stockholders in the Merger. This proxy statement/prospectus is a part of that registration statement and constitutes a prospectus of Rallybio, as well as a proxy statement of Rallybio for its annual meeting. The registration statement, including the attached annexes, exhibits and schedules, contains additional relevant information about Rallybio and Rallybio Common Stock.

Rallybio has supplied all information contained in this proxy statement/prospectus relating to Rallybio and Candid has supplied all information contained in this proxy statement/prospectus relating to Candid.

If you would like to request documents from Rallybio or Candid, please send a request in writing or by telephone to either Rallybio or Candid at the following addresses:

Rallybio Corporation
234 Church Street
New Haven, CT 06510
Attn: Jonathan Lieber
Email: jlieber@rallybio.com

Candid Therapeutics, Inc.
11622 El Camino Real, Suite 150
San Diego, CA 92130
Attn: Jeff Woodley
Email: legal@candidrx.com

Rallybio stockholders may submit a written request for a copy of Rallybio's most recently filed Annual Report on Form 10-K to the above address or email address, which will be provided without charge.

If you are a Rallybio stockholder and would like additional copies, without charge, of this proxy statement/prospectus or if you have questions about the Merger, including the procedures for voting your shares, you should contact Rallybio's proxy solicitor, Georgeson, at the following address, telephone number or email address:

51 West 52nd Street, 6th Floor
New York NY 10019
Call Toll Free: (866) 539-7406
Email: rallybio@georgeson.com

STOCKHOLDER PROPOSALS AND NOMINATIONS

Requirements for Stockholder Proposals to be Considered for Inclusion in our Proxy Materials. To be considered for inclusion in next year's proxy statement, stockholder proposals must be received by Rallybio's (or, if following the Closing, the combined company's) Secretary at Rallybio's (or, if following the Closing, the combined company's) principal executive offices no later than the close of business on _____, which is 120 days prior to the date that is one year from this year's mailing date of _____, 2026.

Requirements for Stockholder Proposals or Director Nominations to be Brought Before an Annual Meeting. Rallybio's bylaws provide that, for stockholder nominations to the Rallybio Board or other proposals to be considered at an annual meeting, the stockholder must have given timely notice thereof in writing to the Secretary at Rallybio Corporation, 234 Church Street, Suite 1020, New Haven, CT 06510. The Nominating and Corporate Governance Committee does not have a written policy regarding stockholder nominations, but has determined that it is the practice of the committee to consider candidates proposed by stockholders if made in accordance with our bylaws. To be timely for the 2027 annual meeting, although not included in the proxy statement, the stockholder's notice must be delivered to or mailed and received by Rallybio (or, if following the Closing, the combined company) not earlier than the close of business on the 120th day nor later than the close of business on the 90th day prior to the anniversary date of the prior year's annual meeting, except that if the annual meeting is set for a date that is not within 30 days before or after such anniversary date, Rallybio (or, if following the Closing, the combined company) must receive the notice not later than the close of business on the tenth day following the day on which Rallybio (or, if following the Closing, the combined company) first provides notice or public disclosure of the date of the meeting. Assuming the date of the 2026 annual meeting is not so advanced or delayed, stockholders who wish to make a proposal at the 2027 annual meeting must notify Rallybio (or, if following the Closing, the combined company) no earlier than _____ and no later than _____. Such notice must provide the information required by Rallybio's bylaws with respect to each matter the stockholder proposes to bring before the 2027 annual meeting.

Any stockholder who intends to solicit proxies in support of a director nominee other than the Rallybio's (or, if following the Closing, the combined company's) nominees must also comply with Rule 14a-19 under the Exchange Act.

Contacting the Rallybio Board

Stockholders wishing to communicate with the Rallybio Board may do so by writing to the Rallybio Board or to the non-employee members of the Rallybio Board as a group, at:

Rallybio Corporation
234 Church Street
New Haven, CT 06510
Attention: Secretary

The communication must prominently display the legend "BOARD COMMUNICATION" in order to indicate to the Secretary that it is a communication for Rallybio Board. Upon receiving such a communication, the Secretary will promptly forward the communication to the relevant individual or group to which it is addressed. Certain items that are unrelated to the Rallybio Board's duties and responsibilities may be excluded, such as spam, junk mail and mass mailings, resumes and other forms of job inquiries, surveys and business solicitations or advertisements. The Secretary will not forward any communication determined in his good faith belief to be frivolous, unduly hostile, threatening, illegal or similarly unsuitable.

Householding of Proxy Statement/Prospectus

SEC rules concerning the delivery of annual disclosure documents allow Rallybio or your broker to send a single Notice of Proxy Materials or, if applicable, a single set of our proxy materials to any household at which two or more of our stockholders reside, if Rallybio or your broker believes that the stockholders are members of the same family, unless Rallybio or your broker has received contrary instructions from one or more of the stockholders. This practice, referred to as "householding," benefits both you and Rallybio. It reduces the volume of duplicate information received at your household and helps to reduce our expenses. The rule applies to Rallybio's Notices of Proxy Materials, annual reports, proxy statements and information statements.

Rallybio will undertake to deliver promptly, upon written or oral request, a separate copy to a stockholder at a shared address to which a single copy of the Notice of Proxy Materials or proxy materials was delivered. You may make a written or oral request by sending a notification to Rallybio's Secretary at the address or telephone number above, providing your name, your shared address, and the address to which Rallybio should direct the additional copy of the Notice of Proxy Materials or proxy materials. Multiple stockholders sharing an address who have received one copy of a mailing and would prefer Rallybio to mail each stockholder a separate copy of future mailings should contact us at our principal executive offices. Additionally, if current stockholders with a shared address received multiple copies of a mailing and would prefer Rallybio to mail one copy of future mailings to stockholders at the shared address, notification of that request may also be made through Rallybio's principal executive offices. Stockholders who participate in householding will continue to have access to and utilize separate proxy voting instructions.

Other Matters

As of the date of this proxy statement, the Rallybio Board does not intend to present any matters other than those described herein at the Rallybio annual meeting and is unaware of any matters to be presented by other parties. If other matters are properly brought before the meeting for action by the stockholders, proxies will be voted in accordance with the recommendation of the Rallybio Board or, in the absence of such a recommendation, in accordance with the judgment of the proxy holder.

INDEX TO FINANCIAL STATEMENTS
Rallybio Corporation
INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

Report of Independent Registered Public Accounting Firm (PCAOB ID No. 34)	<u>Page</u> F-2
Consolidated Balance Sheets	F-3
Consolidated Statements of Operations and Comprehensive Loss	F-4
Consolidated Statements of Changes in Stockholders' Equity	F-5
Consolidated Statements of Cash Flows	F-6
Notes to Consolidated Financial Statements	F-7

Candid Therapeutics, Inc.
INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

Report of Independent Registered Public Accounting Firm	<u>Page</u> F-31
Consolidated Balance Sheets	F-32
Consolidated Statements of Operations and Comprehensive Loss	F-33
Consolidated Statements of Convertible Preferred Stock and Stockholders' Deficit	F-34
Consolidated Statements of Cash Flows	F-35
Notes to Consolidated Financial Statements	F-36

Vignette Bio, Inc.
INDEX TO FINANCIAL STATEMENTS

Report of Independent Registered Public Accounting Firm	<u>Page</u> F-60
Statement of Operations and Comprehensive Loss	F-61
Statement of Convertible Preferred Stock and Stockholders' Deficit	F-62
Statements of Cash Flows	F-63
Notes to Financial Statements	F-64

TRC 2004, Inc.
INDEX TO FINANCIAL STATEMENTS

Report of Independent Registered Public Accounting Firm	<u>Page</u> F-70
Statement of Operations and Comprehensive Loss	F-71
Statement of Convertible Preferred Stock and Stockholders' Deficit	F-72
Statement of Cash Flows	F-73
Notes to Financial Statements	F-74

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the Board of Directors of Rallybio Corporation

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Rallybio Corporation and subsidiaries (the "Company") as of December 31, 2025 and 2024, the related consolidated statements of operations and comprehensive loss, changes in stockholders' equity, and cash flows, for each of the two years in the period ended December 31, 2025, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2025, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Deloitte & Touche LLP

Hartford, Connecticut
March 16, 2026

We have served as the Company's auditor since 2018.

RALLYBIO CORPORATION
Consolidated Balance Sheets
(in thousands, except share and per share amounts)

	DECEMBER 31, 2025	DECEMBER 31, 2024
Assets		
Current assets:		
Cash and cash equivalents	\$ 31,374	\$ 13,903
Marketable securities	23,362	51,608
Prepaid expenses and other current assets	6,517	2,330
Total current assets	61,253	67,841
Property and equipment, net	23	115
Operating lease right-of-use assets	175	152
Other assets, noncurrent	810	—
Total assets	<u>\$ 62,261</u>	<u>\$ 68,108</u>
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	\$ 126	\$ 278
Accrued expenses	3,791	4,962
Operating lease liabilities	94	154
Deferred revenue	212	848
Total current liabilities	4,223	6,242
Operating lease liabilities, noncurrent	82	—
Deferred revenue, noncurrent	—	212
Total liabilities	4,305	6,454
Commitments and contingencies (Note 10)		
Stockholders' equity		
Common stock, \$0.0001 par value per share; 200,000,000 shares authorized as of December 31, 2025 and 2024; and 5,283,321 and 5,188,743 shares issued and outstanding as of December 31, 2025 and 2024, respectively	4	4
Preferred stock, \$0.0001 par value per share; 50,000,000 shares authorized as of December 31, 2025 and 2024; no shares issued or outstanding as of December 31, 2025 and 2024	—	—
Additional paid-in capital	359,932	354,602
Accumulated other comprehensive gain	18	68
Accumulated deficit	(301,998)	(293,020)
Total stockholders' equity	57,956	61,654
Total liabilities and stockholders' equity	<u>\$ 62,261</u>	<u>\$ 68,108</u>

See accompanying notes to the consolidated financial statements

RALLYBIO CORPORATION
Consolidated Statements of Operations and Comprehensive Loss
(in thousands, except share and per share amounts)

	FOR THE YEAR ENDED	
	DECEMBER 31,	
	2025	2024
Revenue:		
Collaboration and license revenue	\$ 858	\$ 636
Total revenue	858	636
Operating expenses:		
Research and development	19,597	41,507
General and administrative	14,325	19,625
Total operating expenses	33,922	61,132
Loss from operations	(33,064)	(60,496)
Other income:		
Interest income	2,189	4,216
Gain on sale of joint venture and other income	22,771	744
Total other income, net	24,960	4,960
Loss before equity in losses of joint venture	(8,104)	(55,536)
Loss on investment in joint venture	874	2,239
Net loss	\$ (8,978)	\$ (57,775)
Net loss per common share, basic and diluted	\$ (1.59)	\$ (10.61)
Weighted-average common shares outstanding, basic and diluted	5,629,370	5,443,332
Other comprehensive (loss) gain:		
Net unrealized (loss) gain on marketable securities	(50)	53
Other comprehensive (loss) gain	(50)	53
Comprehensive loss	\$ (9,028)	\$ (57,722)

See accompanying notes to the consolidated financial statements

RALLYBIO CORPORATION
Consolidated Statements of Changes in Stockholders' Equity
(in thousands, except share amounts)

	COMMON		ADDITIONAL PAID-IN CAPITAL	ACCUMULATED DEFICIT	ACCUMULATED OTHER COMPREHENSIVE GAIN (LOSS)	STOCKHOLDERS' EQUITY
	SHARES	AMOUNT				
December 31, 2023	4,728,674	\$ 4	\$ 341,410	\$ (235,245)	\$ 15	\$ 106,184
Issuance of common stock from a securities purchase agreement, net of offering costs of \$268	454,545	—	5,137	—	—	5,137
Issuance of common stock under the stock purchase plan	7,603	—	62	—	—	62
Issuance of common stock under the stock award plan	241	—	—	—	—	—
Forfeiture of restricted common stock	(2,320)	—	—	—	—	—
Share-based compensation	—	—	7,993	—	—	7,993
Net loss	—	—	—	(57,775)	—	(57,775)
Other comprehensive gain	—	—	—	—	53	53
Balance, December 31, 2024	5,188,743	\$ 4	\$ 354,602	\$ (293,020)	\$ 68	\$ 61,654
Issuance of common stock under the stock purchase plan	7,258	\$ —	\$ 16	\$ —	\$ —	\$ 16
Issuance of common stock under the stock award plan	87,320	—	—	—	—	—
Share-based compensation	—	—	5,314	—	—	5,314
Net loss	—	—	—	(8,978)	—	(8,978)
Other comprehensive loss	—	—	—	—	(50)	(50)
Balance, December 31, 2025	5,283,321	\$ 4	\$ 359,932	\$ (301,998)	\$ 18	\$ 57,956

See accompanying notes to the consolidated financial statements

RALLYBIO CORPORATION
Consolidated Statements of Cash Flows
(in thousands)

	FOR THE YEAR ENDED DECEMBER 31,	
	2025	2024
Cash Flows Used in Operating Activities:		
Net loss	\$ (8,978)	\$(57,775)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	92	131
Net accretion of discounts/premiums on debt securities	(573)	(1,612)
Share-based compensation	5,314	7,993
Gain on sale of joint venture	(22,350)	—
Loss on investment in joint venture	874	2,239
Changes in operating assets and liabilities:		
Prepaid expenses, operating right-of-use assets and other current assets	(2,043)	2,724
Accounts payable	(152)	(698)
Accrued expenses and operating lease liabilities	(1,149)	(3,344)
Deferred revenue	(848)	1,060
Net cash used in operating activities	<u>\$ (29,813)</u>	<u>\$(49,282)</u>
Cash Flows Provided by Investing Activities:		
Purchases of marketable securities	(17,697)	(48,933)
Proceeds from maturities of marketable securities	46,465	84,425
Proceeds from sale of common stock received from sale of joint venture	20,000	—
Investment in joint venture	(1,500)	(2,000)
Net cash provided by investing activities	<u>\$ 47,268</u>	<u>\$ 33,492</u>
Cash Flows Provided by Financing Activities:		
Proceeds from the issuance of common stock from a securities purchase agreement	—	5,405
Proceeds from the issuance of common stock under the stock purchase plan	16	62
Payments of offering costs	—	(268)
Net cash provided by financing activities	<u>\$ 16</u>	<u>\$ 5,199</u>
Net increase (decrease) in cash and cash equivalents	17,471	(10,591)
Cash and cash equivalents—beginning of year	13,903	24,494
Cash and cash equivalents—end of year	<u>\$ 31,374</u>	<u>\$ 13,903</u>

See accompanying notes to the consolidated financial statements

RALLYBIO CORPORATION
Notes to Consolidated Financial Statements

1. BUSINESS

Rallybio Corporation and subsidiaries ("Rallybio", the "Company", "we", "our", or "us") is a clinical-stage biotechnology company comprised of experienced biopharma industry leaders with extensive research, development, and rare disease expertise with a mission to develop and commercialize life-transforming therapies for patients with severe and rare diseases. The Company's lead program, RLYB116, is a differentiated complement component 5 ("C5") inhibitor with the potential to treat diseases of complement dysregulation. In addition, RLYB332, a long-acting matriptase-2 ("MTP-2") antibody for the treatment of diseases of iron overload is currently in preclinical development. In 2025, the Company completed a confirmatory pharmacokinetic ("PK") and pharmacodynamic ("PD") study of RLYB116 in healthy volunteers and reported data in the first quarter of 2026. In April 2025, the Company announced the discontinuation of its RLYB212 program for the prevention of fetal and neonatal alloimmune thrombocytopenia ("FNAIT") based on PK data from the Phase 2 clinical trial that demonstrated an inability of the RLYB212 dose regimen to achieve predicted target concentrations, as well as the minimum target concentration required for efficacy. In July 2025, the Company entered into a definitive agreement to sell its interest in REV102, an Ectonucleotide Pyrophosphatase/Phosphodiesterase 1 ("ENPP1") inhibitor in preclinical development for the treatment of patients with hypophosphatasia ("HPP"), to a subsidiary of its joint venture partner Recursion Pharmaceuticals, Inc. ("Recursion") (the "JV Sale").

On March 1, 2026, Rallybio entered into an Agreement and Plan of Merger and Reorganization (the "Merger Agreement") with Candid Therapeutics, Inc., a Delaware corporation ("Candid"), a clinical-stage biotechnology company advancing a leading portfolio of T-cell engager ("TCE") therapeutics for autoimmune diseases, and Farmington Merger Sub, Inc., a Delaware corporation and wholly owned subsidiary of Rallybio ("Merger Sub"). Upon the terms and subject to the satisfaction of the conditions described in the Merger Agreement, Merger Sub will be merged with and into Candid, with Candid surviving as a wholly owned subsidiary of Rallybio (the "Merger" and, together with all of the other transactions contemplated by the Merger, the "Contemplated Transactions"). The Merger is intended to qualify as a tax-free reorganization for U.S. federal income tax purposes.

Concurrently with the execution and delivery of the Merger Agreement, certain investors entered into a subscription agreement with Candid, pursuant to which such investors have agreed to purchase, immediately prior to the Merger, shares of Candid common stock representing an aggregate commitment of approximately \$505.5 million in the concurrent financing (the "Concurrent Financing"). The shares of Candid common stock that are issued in the Concurrent Financing will be or will have the right to be, respectively, converted into shares of Rallybio common stock, par value \$0.0001 per share ("Rallybio Common Stock"), in the Merger.

Subject to the terms and conditions of the Merger Agreement, at the effective time of the Merger (the "Effective Time"), (a) each then-outstanding share of common stock or preferred stock of Candid (each such share, a "Candid Share") (excluding any share described in clauses (b) or (c) below and Candid Shares held by stockholders who have exercised and perfected appraisal rights for such shares) will be converted into the right to receive a number of shares of Rallybio Common Stock calculated in accordance with the Exchange Ratio as set forth in the Merger Agreement (the "Exchange Ratio"), (b) each Candid Share issued in the Concurrent Financing will be converted into the right to receive a number of shares of Rallybio Common Stock calculated in accordance with the Concurrent Financing Exchange Ratio as set forth in the Merger Agreement (the "Concurrent Financing Exchange Ratio"), (c) any Candid Shares held as treasury shares or held or owned by Rallybio, Merger Sub or any subsidiary of Rallybio or Candid immediately prior to the Effective Time will be canceled and shall cease to exist, and no consideration shall be delivered in exchange therefor. Each then-outstanding option to purchase Candid Shares will be converted into an option to purchase Rallybio Common Stock, subject to adjustment as set forth in the Merger Agreement.

Under the Exchange Ratio and Concurrent Financing Exchange Ratio formulas in the Merger Agreement, immediately after the Closing, on a pro forma basis and based upon the number of shares of Rallybio Common Stock expected to be issued in connection with the Merger, pre-Merger equityholders of Candid (other than investors in the Concurrent Financing) are expected to own approximately 57.55% of the combined company, pre-Merger equityholders of

RALLYBIO CORPORATION**Notes to Consolidated Financial Statements - (Continued)**

Rallybio are expected to own approximately 3.65% of the combined company and the Investors in the Concurrent Financing are expected to own approximately 38.80% of the combined company (assuming proceeds from the Concurrent Financing of \$505.5 million), in each case, calculated on a fully diluted basis, using the treasury stock method, and subject to certain assumptions, including (i) a valuation for Rallybio of \$47.5 million (assuming Rallybio has net cash ("Rallybio Net Cash") of \$37.5 million as of the closing of the Merger (the "Closing" and such date, the "Closing Date")), (ii) a fixed valuation for Candid of \$750.0 million, and (iii) the relative capitalization of Rallybio and Candid. The percentage of the combined company that each party's equity holders will own following the Closing is subject to certain adjustments as described in the Merger Agreement, including the amount of the final Rallybio Net Cash at Closing.

Immediately prior to the Effective Time, Rallybio and a rights agent are expected to enter into a Contingent Value Rights Agreement (the "CVR Agreement"), pursuant to which holders of record of certain Rallybio securities as of the close of business on the last business day prior to the day on which the Effective Time occurs will receive one contingent value right (each, a "CVR") for each outstanding share of Rallybio Common Stock, prefunded warrant, Rallybio restricted stock unit or In the Money Parent Option (as defined in the CVR Agreement) held as of such date. Pursuant to the CVR Agreement, each CVR holder will be entitled to receive their pro rata share of (i) all of the net proceeds (including cash the value of stock to the extent listed on a national exchange, at the time of disposition), if any, received by Rallybio as a result of payments made to Rallybio of any upfront, milestone, royalty and other payments received under any disposition agreement related to Rallybio's pre-Merger assets (the "Legacy Assets"), and (ii) all of the cash proceeds, if any, received from Recursion under the Membership Interest Purchase Agreement, dated July 8, 2025, by and among Recursion, Exscientia Ventures I, Inc., Rallybio Corporation and Rallybio IPB, LLC. For a period of one year after the Closing Date, Rallybio will use commercially reasonable efforts to effect the disposition of the Legacy Assets. Such net proceeds will be subject to certain permitted deductions, including for applicable tax payments, certain expenses incurred or other liabilities borne by Rallybio or its affiliates in respect of the Legacy Assets, and losses incurred by Rallybio or its affiliates due to a third-party proceeding in connection with such disposition.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES BASIS OF PRESENTATION AND PRINCIPLES OF CONSOLIDATION

Basis of Presentation—The accompanying consolidated financial statements of the Company have been prepared in conformity with accounting principles generally accepted in the United States ("GAAP"), and pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC"). Any reference in these notes to applicable guidance is meant to refer to GAAP as found in the Accounting Standards Codification ("ASC") and Accounting Standards Updates ("ASU") promulgated by the Financial Accounting Standards Board ("FASB").

In the opinion of the Company, the information furnished reflects all adjustments, all of which are of a normal and recurring nature, necessary for a fair presentation of the financial position and results of operations for the reported periods. The Company considers events or transactions that occur after the balance sheet date but before the financial statements are issued to provide additional evidence relative to certain estimates or to identify matters that require additional disclosure.

On February 6, 2026, the Company executed a reverse stock split of its issued and outstanding common stock, par value \$0.0001, at a ratio of 1-for-8 with a record date of December 30, 2025 (the "Reverse Stock Split"). All common share, per share and related information included in the accompanying financial statements and footnote disclosures have been adjusted retroactively, where applicable, to reflect the Reverse Stock Split. See Note 14, "Subsequent Events" for additional details.

Principles of Consolidation—The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

Use of Estimates—The preparation of the Company's consolidated financial statements in conformity with GAAP requires management to make certain estimates and assumptions that affect the reported amounts and disclosures

RALLYBIO CORPORATION**Notes to Consolidated Financial Statements - (Continued)**

in the consolidated financial statements. While management believes that estimates and assumptions used in the preparation of the consolidated financial statements are appropriate, actual results could differ from those estimates. The most significant estimates are those used in the determination of the fair value of its common units and incentive units awarded to employees prior to the Company's initial public offering ("IPO"), for purposes of recording share-based incentive compensation, the fair value of stock options, as well as contracted research and development expenses incurred.

Liquidity and Ability to Continue as a Going Concern—The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. Management has evaluated whether there are conditions and events that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date the financial statements are issued. Since its inception, the Company has incurred net losses and negative cash flows from operations.

During the years ended December 31, 2025 and 2024, the Company incurred a net loss of \$9.0 million and \$57.8 million, respectively. The loss for the year ended December 31, 2025 included a \$23.0 million gain in connection with the JV Sale in 2025. In addition, as of December 31, 2025, the Company had an accumulated deficit of \$302.0 million. The Company expects to continue to generate operating losses and negative cash flows in the foreseeable future.

The Company had cash, cash equivalents and marketable securities of \$54.7 million as of December 31, 2025. The Company currently expects that its cash, cash equivalents and marketable securities will be sufficient to fund its operating expenses and capital requirements for more than 12 months from the date these consolidated financial statements are issued. However, the Company does not anticipate that its current cash, cash equivalents and marketable securities as of December 31, 2025 will be sufficient to fund any of its product candidates through regulatory approval, and it will need to raise substantial additional capital to complete the development and commercialization of its product candidates, if approved. Rallybio may satisfy its future cash needs through the sale of equity securities, debt financings, corporate collaborations or license agreements, working capital lines of credit, grant funding, interest income earned on invested cash balances or a combination of one or more of these sources.

Collaboration Arrangements—The Company considers the nature and contractual terms of an arrangement to assess whether an arrangement involves a joint operating activity that expose two or more parties to significant risks and rewards dependent on the commercial success of the activity. If the Company is an active participant and is exposed to significant risks and rewards dependent on the commercial success of the activity, the Company accounts for such arrangement as a collaborative arrangement under ASC 808, *Collaborative Arrangements* ("ASC 808"). ASC 808 describes arrangements within its scope and considerations surrounding presentation and disclosure, with recognition matters subjected to other authoritative guidance, in certain cases by analogy.

For arrangements determined to be within the scope of ASC 808 for certain research and development activities where a collaborative partner is not a customer following the guidance of ASC 606, *Revenue Recognition* ("ASC 606"), the Company accounts for payments due to a collaboration partner as research and development expense and for payments owed to us from our collaboration partner for the reimbursement of research and development costs as a contra-expense in the period such expenses are incurred. The Company classifies payments owed or receivables recorded as other current liabilities and other current assets, respectively, in the Company's consolidated balance sheets. See Note 3, "Collaboration and License Agreements" for additional details.

Asset Acquisitions—The Company evaluates acquisitions of assets and other similar transactions to assess whether or not the transaction should be accounted for as a business combination or asset acquisition by first applying a screen test to determine whether substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. If this screen criteria is met, the transaction is accounted for as an asset acquisition. If not, further determination is required as to whether or not the Company has acquired inputs and processes that have the ability to create outputs, which would meet the definition of a business.

RALLYBIO CORPORATION**Notes to Consolidated Financial Statements - (Continued)**

The Company measures and recognizes asset acquisitions that are not deemed to be business combinations based on the cost to acquire the assets, which includes transaction costs. In an asset acquisition, the cost allocated to acquire in-process research and development ("IPR&D") with no alternative future use is charged to research and development expense at the acquisition date. See Note 3, "Collaboration and License Agreements" for additional details.

Variable Interest Entity—The Company evaluates its ownership, contractual, and other interests in entities to determine if it has any variable interest in a variable interest entity ("VIE"). These evaluations are complex, involve judgment, and the use of estimates and assumptions based on available historical information, among other factors. If the Company determines that an entity in which it holds a contractual, or ownership, interest is a VIE and that the Company is the primary beneficiary, the Company consolidates such entity in its consolidated financial statements. The primary beneficiary of a VIE is the party that meets both of the following criteria: (i) has the power to make decisions that most significantly affect the economic performance of the VIE; and (ii) has the obligation to absorb losses or the right to receive benefits that in either case could potentially be significant to the VIE. Management performs ongoing reassessments of whether changes in the facts and circumstances regarding the Company's involvement with a VIE will cause the consolidation conclusion to change. Changes in consolidation status are applied prospectively. The Company evaluated its investment in RE Ventures I, LLC, a limited liability company ("REV-I"), defined in Note 9, and concluded that it represented a VIE and the Company was not deemed the primary beneficiary. If the Company is not deemed to be the primary beneficiary in a VIE, the Company accounts for the investment or other variable interests in a VIE in accordance with the applicable GAAP. See Note 9, "Investment in Joint Venture" for additional details.

Equity Method Investments—The Company accounts for investments for which it does not have a controlling interest in accordance with ASC 323, *Investments—Equity Method and Joint Ventures* ("ASC 323"). The Company recognizes its pro-rata share of income and losses in "loss on investment in joint venture" on the consolidated statements of operations and comprehensive loss, with a corresponding change to the investment in joint venture asset on the consolidated balance sheets.

Financial Instruments—The Company's principal financial instruments are comprised of cash, cash equivalents, available for sale marketable securities, accounts payable and accrued liabilities. The carrying value of all financial instruments approximates fair value.

Concentrations of Credit Risk—Financial instruments that potentially subject the Company to significant concentration of credit risk consist primarily of cash, cash equivalents and marketable securities. The Company invests its excess cash in money market funds and marketable securities in government insured financial institutions that are subject to minimal credit and market risk. Management believes that the Company is not exposed to significant credit risk as the Company's deposits are held at financial institutions that management believes to be of high credit quality, and the Company has not experienced any losses on these deposits.

Cash and Cash Equivalents—The Company classifies amounts on deposit in banks and cash invested temporarily in various instruments, primarily money market funds, with original maturities of three months or less at the time of purchase as cash and cash equivalents. The carrying amounts reported on the consolidated balance sheets represent the fair values of cash and cash equivalents.

Marketable Securities—We invest our excess cash balances in highly rated United States ("U.S.") government-backed debt securities and treasuries. We classify our marketable securities as available-for-sale and accordingly, record such securities at fair value. Debt securities with original maturities of greater than 90 days are classified as available-for-sale marketable securities and debt securities with original maturities of less than 90 days from the date of purchase are classified as cash equivalents.

Unrealized gains and losses on our marketable debt securities that are deemed temporary are included in accumulated other comprehensive gain (loss) as a separate component of stockholders' equity. If any adjustment to

RALLYBIO CORPORATION

Notes to Consolidated Financial Statements - (Continued)

fair value reflects a significant decline in the value of the security, we evaluate the extent to which the decline is determined to be other-than-temporary and would mark the security to market through a charge to our consolidated statements of operations and comprehensive loss. Credit losses are identified when we do not expect to receive cash flows sufficient to recover the amortized cost basis of a security. In the event of a credit loss, only the amount associated with the credit loss is recognized in operating results, with the amount of loss relating to other factors recorded in accumulated other comprehensive gain (loss).

Property and Equipment—Property and equipment are recorded at cost and consist of computer and other equipment, capitalized software, furniture and fixtures and leasehold improvements. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets, or for leasehold improvements, over the remaining term of the lease, if shorter. The estimated useful life for each major asset classification are as follows:

Asset Classification	Estimated Useful Life
Computer and other equipment	3 years
Capitalized software	3 years
Furniture and fixtures	6 years
Leasehold improvements	lesser of lease life or useful life

Maintenance and repairs which do not extend the lives of the assets are charged directly to expense as incurred. Upon retirement or disposal, cost and related accumulated depreciation are removed from the related accounts, and any resulting gain or loss is recognized as a component of income or loss in the consolidated statements of operations and comprehensive loss.

Impairment of Long-Lived Assets—When indications of potential impairments are present, the Company evaluates the carrying value of long-lived assets. The Company adjusts the carrying value of the long-lived assets if the sum of undiscounted expected future cash flows is less than the carrying value. No such impairments were recorded during the years ended December 31, 2025 or 2024.

Leases—At the inception of an arrangement, we determine if an arrangement is, or contains, a lease based on the facts and circumstances present in that arrangement. Lease classification, recognition, and measurement are then determined at the lease commencement date. For arrangements that contain a lease we (i) identify lease and non-lease components, (ii) determine the consideration in the contract, (iii) determine whether the lease is an operating or financing lease; and iv) recognize lease right-of-use ("ROU") assets and liabilities. Lease liabilities and their corresponding ROU assets are recorded based on the present value of fixed, or in substance fixed, lease payments over the expected lease term. When the interest rate implicit in lease contracts is not readily determinable we use our incremental borrowing rate based on the information available at the lease commencement date, which represents an internally developed rate that would be incurred to borrow, on a collateralized basis, over a similar term, an amount equal to the lease payments in a similar economic environment.

We have elected to combine lease components with non-lease components on our office real estate asset class. Fixed, or in substance fixed, lease payments on operating leases are recognized over the expected term of the lease on a straight-line basis. Variable lease expenses that are not considered fixed, or in substance fixed, are recognized as incurred. Fixed and variable lease expense on operating leases is recognized within operating expenses within our consolidated statements of operations and comprehensive loss. Some leases include options to extend or terminate the lease and the Company includes these options in the recognition of the Company's ROU assets and lease liabilities when it is reasonably certain that the Company will exercise such options. We have elected the short-term lease exemption and, therefore, do not recognize a ROU asset or corresponding liability for lease arrangements with an original term of 12 months or less.

Income Taxes—The Company uses the asset and liability method of accounting for income taxes, as set forth in ASC 740, *Accounting for Income Taxes* ("ASC 740"). Under this method, deferred tax assets and liabilities are recognized for the expected future tax consequence of temporary differences between the carrying amounts and the

RALLYBIO CORPORATION

Notes to Consolidated Financial Statements - (Continued)

tax basis of assets and liabilities and net operating loss carry forwards, all calculated using presently enacted tax rates for the years and jurisdictions in which the temporary differences are expected to be recovered. Changes in deferred tax assets and liabilities are recorded in the provision for income taxes.

The Company evaluates whether deferred tax assets are more likely than not of being realized in determining whether a valuation allowance is necessary. In making such a determination, the Company considers all available positive and negative evidence, including the future reversals of existing taxable temporary differences, projected future taxable income exclusive of reversing temporary differences and carryforwards, tax-planning strategies, taxable income in prior carryback years if permitted under tax law, and the results from prior years. If the Company determines it is more likely than not, that all or a portion of a deferred tax asset will not be realized a valuation allowance is recorded with a charge to income tax expense. Alternatively, if the Company determines that all or a portion of a deferred tax asset previously not meeting the more likely than not threshold will be realized, the Company reduces its valuation allowance and recognizes a benefit in income tax expense. As of December 31, 2025 and 2024, the Company determined that it is more likely than not that deferred taxes will not be realized and as a result recorded a full valuation allowance against its deferred tax assets.

The Company files a consolidated U.S. federal income tax return and has elected to include all subsidiaries owned more than 80%.

The Company recognizes and measure uncertain tax benefits in accordance with ASC 740 based on a two-step process in which (1) the Company determines whether it is more likely than not that the tax position will be sustained based on the technical merits of the position, and (2) for those tax positions that meet the more-likely-than-not recognition threshold, the Company recognizes the largest amount of tax benefit that is more than fifty percent likely to be realized upon ultimate settlement with the related tax authority. The Company's policy is to recognize interest and penalties related to uncertain tax positions, if any, in income tax expense.

Research and Development Expenses—Research and development expenses are comprised of costs incurred in performing research and development activities including personnel salaries, benefits, and share-based compensation; external research and development expenses incurred under arrangements with third parties, such as contract research organization agreements, investigational sites, and consultants; the cost of developing and manufacturing clinical study materials, program regulatory costs, expenses associated with obligations under asset acquisitions, license agreements and other direct and indirect costs. Costs incurred in connection with research and development activities are expensed as incurred. Costs are considered incurred based on an evaluation of the progress to completion of each contract using information and data provided by the respective vendors, including the Company's clinical sites. Depending upon the timing of invoicing by the service providers, the Company recognizes prepaid expenses or accrued expenses related to these costs. These prepaid expenses or accrued expenses are based on management's estimates of the work performed under service agreements, milestones achieved, and experience with similar contracts. The Company monitors each of these factors and adjusts estimates accordingly.

Stock Warrants—The Company accounts for stock warrants as either equity-classified or liability-classified instruments based on an assessment of the warrant's specific terms and applicable authoritative guidance included in ASC 480, *Distinguishing Liabilities from Equity* ("ASC 480") and ASC 815, *Derivatives and Hedging* ("ASC 815"). The assessment considers whether the warrants are freestanding financial instruments pursuant to ASC 480, whether the warrants meet the definition of a liability pursuant to ASC 480, and whether the warrants meet all of the requirements for equity classification under ASC 815. This assessment, which requires the use of professional judgment, is conducted at the time of warrant issuance and as of each subsequent quarterly period end date while the warrants are outstanding. Warrants that meet all of the criteria for equity classification are required to be recorded as a component of additional paid-in capital at the time of issuance. For issued or modified warrants that do not meet all the criteria for equity classification, the warrants are required to be recorded at their initial fair value on the date of issuance and remeasured each balance sheet date thereafter.

RALLYBIO CORPORATION

Notes to Consolidated Financial Statements - (Continued)

Share-Based Compensation—The Company accounts for share-based compensation in accordance with ASC 718, *Compensation—Stock Compensation* (“ASC 718”). Generally, share-based compensation is measured at the grant date for all equity-based awards made to employees based on the fair value of the awards and is recognized over the requisite service period, which is generally the vesting period. Share-based compensation for awards with performance conditions are recognized over the service period when achievement of the performance condition is probable. The Company has elected to recognize the actual forfeitures by reducing the share-based compensation in the same period as the forfeitures occur. The Company classifies share-based compensation in its consolidated statements of operations and comprehensive loss in the same manner in which the award recipients’ payroll costs are classified.

The Company estimates the fair value of options granted using the Black-Scholes option pricing model (“Black-Scholes”) for stock option grants. The fair value of the Company’s common stock is used to determine the fair value of restricted stock awards. Black-Scholes requires inputs based on certain subjective assumptions, including the expected stock price volatility, the expected term of the award, the risk-free interest rate and expected dividends. Due to the lack of a public market for the Company’s common stock and lack of company-specific historical and implied volatility data, the Company has based its computation of expected volatility on the historical volatility of a representative group of public companies with similar characteristics to the Company and in 2024, the Company began to include its historical volatility rate in the computation. The historical volatility is calculated based on a period of time corresponding with expected term assumption. The Company uses the simplified method to calculate the expected term for options granted where the expected term equals the arithmetic average of the vesting term and the original contractual term of the options due to its lack of sufficient historical data. The risk-free interest rate is based on U.S. Treasury securities with a maturity date corresponding with the expected term of the associated award. The expected dividend yield is assumed to be zero as the Company has never paid dividends and has no current plans to pay any dividends on its common stock.

Fair Value Measurements—ASC Topic 820, *Fair Value Measurement* (“ASC 820”), establishes a fair value hierarchy for instruments measured at fair value that distinguishes between assumptions based on market data (observable inputs) and the Company’s own assumptions (unobservable inputs). Observable inputs are inputs that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company’s assumptions about the inputs that market participants would use in pricing the assets or liabilities and are developed based on the best information available in the circumstances. ASC 820 identifies fair value as the price that would be received to sell an asset or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. As a basis for considering market participant assumptions in fair value measurements, ASC 820 establishes a three-tiered value hierarchy that distinguishes between the following:

Level 1—Quoted market prices in active markets for identical assets or liabilities.

Level 2—Inputs other than Level 1 inputs that are either directly or indirectly observable, such as quoted market prices, interest rates and yield curves.

Level 3—Unobservable inputs for the asset or liability (i.e., supported by little or no market activity). Level 3 inputs include management’s own assumptions about the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk).

To the extent the valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair values requires more judgement. Accordingly, the degree of judgement exercised by the Company in determining fair value is greatest for instruments categorized as Level 3. A financial instrument’s level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

In determining fair value, the Company utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible, as well as considers counterparty credit risk in its assessment of fair value.

RALLYBIO CORPORATION**Notes to Consolidated Financial Statements - (Continued)*****Future Milestone and Royalty Assets***

As part of the JV Sale, the Company received consideration including an estimated \$3.0 million in future contingent milestones and royalty payments, which are recognized as a contingent consideration asset within prepaid expenses and other current assets on the consolidated balance sheets. The fair value of this contingent consideration was determined using a model that incorporates significant unobservable inputs based on Company estimates, external data, and management's judgment and forecasts. Key assumptions in the model include the discount rate, the timing of expected cash flows, the probability of achieving the milestone and royalty payments, and projected future net revenues.

The Company periodically reviews the carrying value of the Contingent Consideration when impairment indicators arise and records an impairment loss if the carrying amount materially exceeds the reassessed fair value. Increases in the carrying value are recognized only when contingent gains are realized. Since the contingent payments are tied to Phase 1 clinical study milestones and future royalty payments, the Company believes the likelihood of timely payment by Recursion is remote. See Note 9, "Investment in Joint Venture" for additional details.

Segment Information—Operating segments are defined as components of an enterprise for which discrete financial information is regularly reviewed by the chief operating decision maker ("CODM") in deciding how to allocate resources and in assessing operating performance. The Company manages its operations as a single segment for the purposes of allocating resources, assessing performance, and making operating decisions. All tangible assets of the Company are held in the U.S. See Note 12, "Segments" for additional details.

Basic and Diluted Net Loss Per Share—The Company calculates basic net loss per share by dividing the net loss by the weighted-average number of common shares outstanding during the period, without consideration of potential dilutive securities. Basic shares outstanding includes the weighted-average effect of the Company's pre-funded warrants to purchase shares of our common stock requiring little consideration upon exercise. Unvested restricted common shares as of December 31, 2025 and 2024 are not considered participating securities and as such are excluded from the weighted-average number of shares used for calculating basic and diluted net loss per share. Diluted net loss per share is computed by dividing the net loss by the sum of the weighted-average number of common shares outstanding during the period plus the dilutive effects of potentially dilutive securities outstanding during the period. Potentially dilutive securities include restricted common shares and stock options. The Company has generated a net loss for all periods presented, therefore diluted net loss per share is the same as basic net loss per share since the inclusion of potentially dilutive securities would be anti-dilutive.

Revenue Recognition—The Company recognizes revenue in accordance with the provisions of ASC Topic 606, *Revenue from Contracts with Customers* ("ASC 606"). The Company recognizes revenue when the Company's customer obtains control of promised goods or services, in an amount that reflects the consideration which the Company expects to receive in exchange for those goods and services. To determine revenue recognition for arrangements within the scope of ASC 606, the Company performs the following five steps: (i) identify the contract(s) with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when or as the Company satisfies a performance obligation. The Company only applies the five-step model to contracts when it is probable that the Company will collect the consideration to which it is entitled in exchange for the goods or services it transfers to the customer.

The Company evaluates the promised goods or services in these agreements to determine which ones represent distinct performance obligations. These agreements may include the following types of promised goods or services: (i) grants of licenses and related transfer of know-how, (ii) performance of research and development services, and (iii) participation on joint research and/or development committees. They also may include options to obtain further research and development services and licenses to the Company's intellectual property. The payment terms of these agreements may include nonrefundable upfront fees, payments based upon the achievement of certain milestones, and additional payments based on product sales derived from the collaboration.

RALLYBIO CORPORATION**Notes to Consolidated Financial Statements - (Continued)**

The Company exercises judgment in assessing those promised goods and services that are distinct and thus representative of performance obligations. To the extent the Company identifies multiple performance obligations in a contract or group of contracts signed together, the Company must develop assumptions that require judgment to determine the estimated standalone selling price for each performance obligation in order to allocate the transaction price among the identified performance obligations. The transaction is allocated on a relative standalone selling price basis.

Prior to recognizing revenue, the Company makes estimates of the transaction price, including variable consideration that is subject to a constraint. Amounts of variable consideration are included in the transaction price to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur and when the uncertainty associated with the variable consideration is subsequently resolved. These estimates are reassessed at each reporting period as required.

The Company then recognizes revenue in the amount of the transaction price that is allocated to the respective performance obligations when or as the performance obligations are satisfied. For performance obligations satisfied over time, the Company estimates the efforts needed to complete the performance obligations and recognizes revenue over the satisfaction of the performance obligations.

Restructuring—The Company accounts for restructuring charges in accordance with ASC Subtopic 420-10, *Exit or Disposal Cost Obligations*. The charges related to the workforce reductions are cash-based expenditures related primarily to severance and benefit payments, with such amounts reflected in the Company's consolidated statements of operations and other comprehensive loss. See Note 13, "Restructuring" for additional details.

Recently Adopted Accounting Pronouncements—In December 2023, the FASB issued, ASU 2023-09, Income Taxes (Topic 740): *Improvements to Income Tax Disclosures* ("ASU 2023-09") which establishes new income tax disclosure requirements in addition to modifying and eliminating certain existing requirements. The ASU is effective for public business entities for fiscal years beginning on or after December 15, 2024 with early adoption permitted. The amendments in ASU 2023-09 were early adopted by the Company on a prospective basis. There was no material impact to the Company's financial statements as a result of adopting ASU 2023-09. See Note 8, "Income Taxes" for additional detail.

In May 2025, the FASB issued ASU 2025-03, Business Combinations (Topic 805) and Consolidation (Topic 810): *Determining the Accounting Acquirer in the Acquisition of a Variable Interest Entity* ("ASU 2025-03"), which revises current guidance for determining the accounting acquirer for a transaction effected primarily by exchanging equity interests in which the legal acquiree is a variable interest entity that meets the definition of a business. The amendments require that an entity consider the same factors that are currently required for determining which entity is the accounting acquirer in other acquisition transactions. The Company early adopted this ASU on a prospective basis as of October 1, 2025. There was no material impact to the Company's financial statements as a result of adopting ASU 2025-03.

Recently Issued Accounting Pronouncements—In November 2024, the FASB issued ASU 2024-03, Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40): *Disaggregation of Income Statement Expenses* ("ASU 2024-03"). This ASU requires public entities to disclose additional transparency on certain costs and expenses. ASU 2024-03 is effective for annual periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027. Early adoption is permitted. The Company has chosen not to early adopt this standard and is currently evaluating the potential impact of adopting this standard on its consolidated financial statements.

3. COLLABORATION AND LICENSE AGREEMENTS**Johnson & Johnson Collaboration**

In April 2024, the Company entered into a two-year collaboration agreement (the "J&J Collaboration Agreement") with Johnson & Johnson, through its wholly owned subsidiary, Momenta Pharmaceuticals, Inc. ("J&J") to facilitate the advancement of research into products to address unmet needs relating to FNAIT.

RALLYBIO CORPORATION**Notes to Consolidated Financial Statements - (Continued)**

In April 2025, the Company announced that RLYB212 Phase 2 PK results did not achieve target concentrations, including the minimum target concentration required for efficacy, and that the Company would discontinue its RLYB212 program for the prevention of FNAIT. The Company will continue to follow any previously screened Phase 2 participant who was also eligible to enroll in the multinational FNAIT natural history study, in accordance with the study's protocol.

Pursuant to the J&J Collaboration Agreement, the Company received an upfront payment of \$0.5 million from J&J for the information dissemination and data provision services under the agreement. The J&J Collaboration Agreement provides that the Company is eligible for payments upon the achievement of certain screening-related events, however, the Company has discontinued screening and enrollment in both the FNAIT natural history study and the RLYB212 Phase 2 clinical trial.

The Company evaluated the agreement and determined it was within the scope of ASC 606. The Company determined there were performance obligations as follows:

- (1) Data collection & submission revenue – derived from Rallybio's ongoing management of the studies including the maintenance of a minimum site footprint, the license to utilize, and timely, semi-annual submission of the anonymized data, in the required formats.
- (2) Dissemination of J&J materials & participant revenue – derived from Rallybio's dissemination of content, information or materials related to the J&J-Sponsored Studies that are developed by J&J and are provided by Rallybio for the purpose of disseminating such content, information, or materials to staff at Rallybio study sites to provide to potential eligible participants regarding J&J's independent study.

In April 2024, the Company also entered into a securities purchase agreement (the "JJDC Securities Purchase Agreement") with Johnson & Johnson Innovation – JJDC, Inc. ("JJDC"). Under the terms of the JJDC Securities Purchase Agreement, JJDC made an equity investment purchasing 454,545 shares of common stock with a par value of \$0.0001 per share for a share purchase price of \$14.56 per share which includes a 10% premium for an aggregate purchase price of \$6.6 million. The JJDC Securities Purchase Agreement contains provisions related to the registration of the shares and the restriction on the sale or transfer of the shares for a period of time. The Company determined the J&J Collaboration Agreement and the JJDC Securities Purchase Agreement represented combined agreements. In accordance with ASC 606 and ASC 820, total consideration of \$1.2 million for the shares of common stock from the JJDC Securities Purchase Agreement, which represents the premium of \$0.7 million and discount for lack of marketability of \$0.5 million, has been allocated to revenue and will be recognized over the two year expected performance period.

The Company valued the common stock issued to JJDC, in connection with the JJDC Securities Purchase Agreement at fair value. The resulting fair value of \$5.4 million was determined by applying the discount due to lack of marketability during the registration and lock-up period to the public trading price of the common stock, which is a Level 1 input, on the date of sale. The Company determined the value of the lack of marketability during the registration and lock-up period by utilizing put option models, which are considered Level 3 inputs. Such option models included the Company's historical volatility of 113.2% and the risk-free rate of 5.28% based on U.S. Treasury bond rates, as key inputs.

The Company recognized \$0.8 million and \$0.6 million, respectively, in revenue during the years ended December 31, 2025 and 2024, related to data collection and data submission with the identified performance obligations, and the premium and discount allocated to revenue from the sale of the common stock to JJDC. The remaining revenue is included in deferred revenue on the Company's consolidated balance sheets as of December 31, 2025, and will be recognized as the performance obligations are satisfied.

The Company determined that the J&J Collaboration Agreement is not in the scope of ASC 808, *Collaborative Arrangements*.

RALLYBIO CORPORATION**Notes to Consolidated Financial Statements - (Continued)****Asset Acquisition**

In May 2022, we obtained worldwide exclusive rights to RLYB331, with Kymab Limited ("Sanofi") a preclinical antibody. In 2024, we re-engineered RLYB331 to extend its half-life and renamed the program RLYB332. We believe RLYB332 has the potential to address a significant unmet need for patients with severe anemias with ineffective erythropoiesis and iron overload, including beta thalassemia and a subset of lower risk myelodysplastic syndromes ("MDS"). Under the terms of the license agreement, we made an upfront payment to Sanofi of \$3.0 million in the second quarter of 2022 for the exclusive license to KY1066. We could also be required to pay up to an aggregate of \$43.0 million in development and regulatory milestones and up to an aggregate of \$150.0 million in commercial milestones for a product in its first indication, plus tiered low-to-mid double digit percentages of such milestone amounts for up to three additional indications, and mid to high single digit royalties on net sales.

The license was accounted for as an asset acquisition as substantially all of the fair value of the asset acquired was concentrated in a single asset and thus the acquisition was deemed not to be a business combination. The acquired license rights represent an IPR&D asset that was determined to have no alternative future use. Accordingly, the Company recorded an IPR&D charge of \$3.1 million to research and development expense, including transaction costs associated with this asset acquisition of \$0.1 million, in the consolidated statements of operations and comprehensive loss for the year ended December 31, 2022. The Company did not record an IPR&D charge for the years ending December 31, 2025 and 2024 and did not achieve any milestones related to the terms of the license agreement.

AbCellera Collaboration

In December 2022, the Company entered into a multi-year, multi-target collaboration with AbCellera Biologics ("AbCellera") to discover, develop, and commercialize novel antibody-based therapeutics for rare diseases. Under the terms of the agreement, AbCellera and Rallybio will co-develop and share the development costs of up to five rare disease therapeutic targets, which will be chosen together by both companies. At the point one party in the collaboration opts-out of future co-development cost sharing, that party will be entitled to a share of future profit sharing from commercialization of the collaboration target, dependent on the proportion of their co-development contributions compared to the total development costs of a target as defined within the agreement. The agreement also has defined profit sharing floors that correspond to the stage of development at the time a collaboration party opts-out of co-developing a target.

The Company concluded that the agreement with AbCellera will be accounted under the scope of ASC 808 as both parties will actively participate in joint operating activities and are exposed to significant risks and rewards that depend on the commercial success of those activities. Under ASC 808, certain transactions between collaborative arrangement participants should follow the accounting for revenue under ASC 606 when the collaborative arrangement participant is a customer.

The Company determined that co-development arrangement as defined in our agreement with AbCellera does not meet the definition of a customer as defined by ASC 606. As a result, these activities will be accounted for as research and development costs. Payments due because of the co-development will be recorded as research and development expense in the period such expenses are incurred and for payments owed to us from our collaboration partner for the reimbursement of research and development costs will be recorded as a contra-research and development expense in the period such expenses are incurred. Costs related to the AbCellera collaboration were \$0.4 million for the year ended December 31, 2024. There were no costs related to the AbCellera collaboration for the year ended December 31, 2025.

RALLYBIO CORPORATION
Notes to Consolidated Financial Statements - (Continued)

4. MARKETABLE SECURITIES

The amortized cost, gross unrealized holding gains, gross unrealized holding losses and fair value of our marketable securities by type of security as of December 31, 2025 and 2024 was as follows:

DECEMBER 31, 2025					
(in thousands)	Fair Value Hierarchy Level	Amortized Cost	Gross Unrealized Holding Gains	Gross Unrealized Holding Losses	Fair Value
Cash and cash equivalents	Level 1	\$ 6,695	\$ —	\$ —	\$ 6,695
U.S. treasury securities	Level 1	19,212	17	—	19,229
U.S. government agency securities	Level 2	4,630	1	—	4,631
		<u>\$ 30,537</u>	<u>\$ 18</u>	<u>\$ —</u>	<u>\$ 30,555</u>

DECEMBER 31, 2024					
(in thousands)	Fair Value Hierarchy Level	Amortized Cost	Gross Unrealized Holding Gains	Gross Unrealized Holding Losses	Fair Value
Money market funds	Level 1	\$ 8,705	\$ —	\$ —	\$ 8,705
U.S. treasury securities	Level 1	34,316	54	(15)	34,355
U.S. government agency securities	Level 2	17,224	32	(3)	17,253
		<u>\$ 60,245</u>	<u>\$ 86</u>	<u>\$ (18)</u>	<u>\$ 60,313</u>

The fair values of marketable securities by classification on the consolidated balance sheets as of December 31, 2025 and 2024 was as follows:

(in thousands)	DECEMBER 31, 2025	DECEMBER 31, 2024
Cash and cash equivalents	\$ 7,193	\$ 8,705
Marketable securities	23,362	51,608
	<u>\$ 30,555</u>	<u>\$ 60,313</u>

The fair values of available-for-sale debt securities as of December 31, 2025 and 2024, by contractual maturity, are summarized as follows:

(in thousands)	DECEMBER 31, 2025	DECEMBER 31, 2024
Due in one year or less	\$ 30,555	\$ 51,357
Due after one year through two years	—	8,956
	<u>\$ 30,555</u>	<u>\$ 60,313</u>

The aggregate fair value of available-for-sale debt securities in an unrealized loss position as of December 31, 2025 and 2024 was \$0.7 million and \$10.4 million, respectively. As of December 31, 2025 and 2024, we did not have any investments in a continuous unrealized loss position for more than twelve months. As of December 31, 2025, the Company believes that the cost basis of our available-for-sale debt securities is recoverable. No allowance for credit losses was recorded as of December 31, 2025 and 2024.

RALLYBIO CORPORATION
Notes to Consolidated Financial Statements - (Continued)

5. LEASES

The Company has an operating lease for approximately four thousand five hundred square feet of corporate office space. The weighted-average remaining lease term as of December 31, 2025 was 1 year, 9 months. The weighted-average discount rate utilized on our operating lease liabilities as of December 31, 2025 was 9.00%.

Operating leases are included in operating lease ROU assets, operating lease liabilities, and operating lease liabilities, noncurrent in our consolidated balance sheets as of December 31, 2025 and 2024.

The following table summarizes the presentation of the Company's operating lease as presented on the consolidated balance sheets:

(in thousands)	DECEMBER 31, 2025	DECEMBER 31, 2024
Assets:		
Operating lease right-of-use assets	\$ 175	\$ 152
Liabilities:		
Operating lease liabilities	\$ 94	\$ 154
Operating lease liabilities, noncurrent	82	—
Total operating lease liabilities	<u>\$ 176</u>	<u>\$ 154</u>

Future minimum lease payments from December 31, 2025 until the expiration of the operating lease are as follows:

(in thousands)	
2026	\$ 106
2027	84
Thereafter	—
Total lease payments	190
Less: imputed discount rate	(14)
Carrying value of operating lease liabilities	<u>\$ 176</u>

The Company incurred \$0.2 million in operating lease rent expense for both years ended December 31, 2025 and 2024. Lease payments made were \$0.2 million and \$0.3 million for the years ended December 31, 2025 and 2024, respectively, with such amounts reflected on the consolidated statements of cash flows in operating activities.

6. BALANCE SHEET COMPONENTS

Property and Equipment—

Property and equipment consisted of the following as of December 31, 2025 and 2024:

(in thousands)	DECEMBER 31, 2025	DECEMBER 31, 2024
Computer and other equipment	\$ 191	\$ 191
Capitalized software	89	89
Furniture and fixtures	76	151
Leasehold improvements	147	338
Total property and equipment	503	769
Less: accumulated depreciation	(480)	(654)
Total property and equipment—net	<u>\$ 23</u>	<u>\$ 115</u>

Depreciation expense totaled \$0.1 million for both years ended December 31, 2025 and 2024.

RALLYBIO CORPORATION
Notes to Consolidated Financial Statements - (Continued)

Prepaid Expenses and Other Assets—

Prepaid expenses and other assets consisted of the following as of December 31, 2025 and 2024:

(in thousands)	DECEMBER 31, 2025	DECEMBER 31, 2024
Research and development	\$ 3,372	\$ 697
Insurance	409	424
Other prepaids	219	214
Other current assets	2,517	995
	<u>\$ 6,517</u>	<u>\$ 2,330</u>

Accrued Expenses—

Accrued expenses consisted of the following as of December 31, 2025 and 2024:

(in thousands)	DECEMBER 31, 2025	DECEMBER 31, 2024
Research and development	\$ 394	\$ 1,197
Compensation and related expenses	2,334	3,095
Professional fees	1,039	510
Other	24	160
	<u>\$ 3,791</u>	<u>\$ 4,962</u>

7. STOCKHOLDERS' EQUITY

Common Stock

In April 2024, the Company entered into the JJDC Securities Purchase Agreement, pursuant to which the Company sold to JJDC, in an unregistered offering, 454,545 shares of its common stock, at a price of \$14.56 per share, which represents a 10% premium on the Company's closing stock price on April 9, 2024, for aggregate gross proceeds of approximately \$6.6 million, before deducting offering expenses.

The Company had 200,000,000 shares of common stock authorized as of December 31, 2025 and 2024, of which 5,283,321 and 5,188,743 shares were issued and outstanding as of December 31, 2025 and 2024, respectively.

Preferred Stock

The Company had 50,000,000 shares of preferred stock authorized as of December 31, 2025 and 2024, of which no shares were outstanding as of December 31, 2025 and 2024.

Pre-Funded Warrants

In connection with the November 2022 follow-on offering, the Company entered into an agreement with certain investors for pre-funded warrants in lieu of common stock to purchase up to an aggregate of 416,673 shares of common stock at a price of \$47.9992, which represents the per share public offering price at the November 2022 follow-on offering for common stock less a \$0.0008 per share exercise price for each pre-funded warrant.

The Company may not effect the exercise of any pre-funded warrant, and a holder will not be entitled to exercise any portion of any pre-funded warrant if, upon giving effect to such exercise, the aggregate number of shares of common stock beneficially owned by the holder (together with its affiliates) would exceed 9.99% of the number of shares of common stock outstanding immediately after giving effect to the exercise, which percentage may be increased or decreased at the holder's election upon 61 days' notice to the Company subject to the terms of such pre-funded warrants, provided that such percentage may in no event exceed 19.99%.

The Company's pre-funded warrant is a freestanding instrument that does not meet the definition of a liability pursuant to ASC 480 and does not meet the definition of a derivative pursuant to ASC 815. The pre-funded warrant

RALLYBIO CORPORATION
Notes to Consolidated Financial Statements - (Continued)

is indexed to the Company's common stock and meets all other conditions for equity classification under ASC 480 and ASC 815. Accordingly, the pre-funded warrant was classified as equity and accounted for as a component of additional paid-in capital at the time of issuance. All of the pre-funded warrants related to our November 2022 follow-on offering remain outstanding and unexercised as of December 31, 2025.

Share-based Compensation

Share-based compensation is comprised of the Company's stock options, restricted stock awards, restricted stock units and shares issued pursuant to the employee stock purchase plan, and is classified in the consolidated statements of operations and comprehensive loss for the years ended December 31, 2025 and 2024 and was as follows:

(in thousands)	FOR THE YEAR ENDED DECEMBER 31,	
	2025	2024
Research and development	\$ 2,250	\$ 3,269
General and administrative	3,064	4,724
	<u>\$ 5,314</u>	<u>\$ 7,993</u>

2021 Equity Incentive Plan

In 2021, the board of directors adopted the Rallybio Corporation 2021 Equity Incentive Plan (the "2021 Plan"). The 2021 Plan initially reserved 680,043 shares of the Company's common stock that have been issued in respect of outstanding equity awards granted prior to the registrant's IPO and for future issuances of shares to employees, directors and consultants in the form of stock options, SARs, restricted and unrestricted stock and stock units, performance awards and other awards that are convertible into or otherwise based on the Company's common stock. Dividend equivalents may also be provided in connection with awards under the 2021 Plan. The share pool will automatically increase on January 1st of each year until 2031 by the lesser, of (i) five percent of the number of shares of the Company's common stock outstanding as of such date and (ii) the number of shares of the Company's common stock determined by the board of directors on or prior to such date. On January 1, 2025 and January 1, 2024, the 2021 Plan share pool was automatically increased by 259,438 and 236,434 shares, respectively. As of December 31, 2025, the total number of shares of the Company's common stock that were issuable under the 2021 Plan was 1,257,573 shares, of which 590,690 shares remained available for future issuance.

The following table summarizes stock option activity for the year ended December 31, 2025:

Stock Options	Number of Option Shares	Weighted- Average Exercise Price	Weighted- Average Contractual Term (in years)	Aggregate Intrinsic Value (in thousands)
Outstanding stock options at December 31, 2024	529,342	\$ 62.83	7.8	\$ —
Granted	224,179	\$ 5.87		
Forfeited	(51,758)	\$ 32.54		
Expired	(73,483)	\$ 76.34		
Exercised	—	\$ —		
Outstanding at December 31, 2025	<u>628,280</u>	\$ 43.42	7.6	\$ 89
Exercisable stock options at December 31, 2025	<u>399,047</u>	\$ 58.72	7.1	\$ —

The aggregate intrinsic value is calculated as the difference between the exercise price of the underlying stock options and the estimated fair value of the Company's common stock. Stock options outstanding with an exercise price below the closing price as of December 31, 2025 had an intrinsic value of approximately \$89 thousand based on a common stock fair value of \$5.49 per share, which was the closing price of the Company's common stock on

RALLYBIO CORPORATION
Notes to Consolidated Financial Statements - (Continued)

December 31, 2025. Stock options outstanding and exercisable with an exercise price above the closing price as of December 31, 2025 are considered to have no intrinsic value. Using the Black-Scholes option pricing model, the weighted-average grant date fair value of stock options granted during the years ended December 31, 2025 and 2024 was \$4.92 per share and \$11.78 per share, respectively. As of December 31, 2025, there was unrecognized share-based compensation expense related to nonvested stock options of \$2.8 million, which the Company expects to recognize over a weighted-average period of approximately 1.9 years.

The fair value of the stock options granted during the years ended December 31, 2025 and 2024 was determined using the Black-Scholes option pricing model with the following assumptions:

	FOR THE YEAR ENDED DECEMBER 31,	
	2025	2024
Expected volatility	91.88% - 119.61%	89.41% - 94.48%
Expected term (years)	5.27 - 6.02	5.50 - 6.02
Risk free interest rate	4.03% - 4.39%	3.93% - 4.35%
Expected dividend yield	—	—
Exercise price	\$ 2.38 - \$7.60	\$ 14.88 - \$19.20

A summary of the status of the Company's nonvested restricted common stock awards at December 31, 2025 and changes during the year ended December 31, 2025 was as follows:

Restricted Stock Awards	Shares	Weighted-Average Grant Date Fair Value Per Share
Nonvested restricted common stock awards at December 31, 2024	2,687	\$ 31.76
Granted	—	\$ —
Vested	(2,687)	\$ 31.76
Forfeited	—	\$ —
Nonvested restricted common stock awards at December 31, 2025	—	\$ —

As of December 31, 2025, there was no unrecognized share-based compensation expense related to nonvested restricted common stock awards.

A summary of the status of the Company's nonvested restricted common stock units at December 31, 2025 and changes during the year ended December 31, 2025 was as follows:

Restricted Stock Units	Shares	Weighted-Average Grant Date Fair Value Per Share
Nonvested restricted common stock units at December 31, 2024	133,069	\$ 18.89
Granted	59,500	\$ 5.96
Forfeited	(66,646)	\$ 12.34
Vested	(87,320)	\$ 19.18
Nonvested restricted common stock units at December 31, 2025	38,603	\$ 9.60

As of December 31, 2025, there was unrecognized share-based compensation expense related to nonvested restricted common stock units of \$0.3 million, which the Company expects to recognize over a weighted-average period of approximately 2.4 years.

2021 Employee Stock Purchase Plan

In connection with the Company's IPO, the board of directors adopted the Rallybio Corporation 2021 Employee Stock Purchase Plan (the "2021 ESPP"), which initially reserved 36,415 shares of the Company's common stock for

RALLYBIO CORPORATION
Notes to Consolidated Financial Statements - (Continued)

future issuances under this plan. The share pool will automatically increase on January 1st of each year from 2022 to 2031 by the lesser of (i) one percent of the number of shares of the Company's common stock outstanding as of such date (ii) 72,831 shares of the Company's common stock, and (iii) the number of shares of the Company's common stock determined by the board of directors on or prior to such date. The 2021 ESPP share pool did not increase on January 1, 2025 or January 1, 2024. As of December 31, 2025, the total number of shares of the Company's common stock available for future issuance under the 2021 ESPP was 94,281 shares. During the years ended December 31, 2025 and 2024, the Company issued 7,258 and 7,603 shares, respectively, of the Company's common stock under the 2021 ESPP.

The 2021 ESPP allows eligible participants to purchase shares of the Company's common stock through authorized payroll deductions. The purchase price of the shares will not be less than 85% of the lower of the fair market value the Company's common stock on the first day of an offering or on the date of the purchase.

For the years ended December 31, 2025 and 2024, the total share-based compensation for the 2021 ESPP was \$16 thousand and \$0.1 million, respectively.

8. INCOME TAXES

The following table summarizes income (loss) before income taxes:

(in thousands)	2025
Domestic	\$(8,978)
Foreign	—
Total	<u>\$(8,978)</u>

The Company had no income tax expense (benefit) as of December 31, 2025 and 2024.

The Company's effective tax rate for the period ended December 31, 2025 was 0.0%. For the period ended December 31, 2025, the primary drivers of the variance from the statutory rate were state taxes, research & development tax credits, stock based compensation, and valuation allowance.

The following is a reconciliation from the Company's statutory rate to the effective tax rate reported in the financial statements:

(in thousands)	2025	
	Amount	Rate
Statutory federal income tax rate	\$(1,885)	21.0%
Tax credits (federal):		
Orphan drug credit	(1,331)	14.8%
Other	(231)	2.6%
Valuation allowance	2,203	(24.5%)
Non-deductible or non-taxable items:		
Share-based compensation	1,227	(13.7)%
Other adjustments	17	(0.2%)
Effective income tax rate	<u>\$ —</u>	<u>0.0%</u>

RALLYBIO CORPORATION
Notes to Consolidated Financial Statements - (Continued)

The Company's effective income tax rates are different from the federal statutory tax rates in 2024 predominantly due to the valuation allowance, tax credits, and state taxes. A reconciliation of the effect of applying the federal statutory rate to the net loss and effective income tax rate are as follows:

	2024
U.S. federal statutory income tax rate	21.0%
State income taxes, net of federal income tax benefit	5.4%
Tax credits	10.7%
Other	(2.9)%
Valuation allowance	(34.2)%
Effective income tax rate	—%

The tax effect of temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases that give rise to deferred tax assets and liabilities are as follows at December 31, 2025 and 2024:

(in thousands)	2025	2024
Net operating loss carryforwards	\$ 50,322	\$ 45,973
Amortization	1,775	1,341
Section 174 capitalization	19,947	22,479
Research and development tax credits	25,701	24,047
Share-based compensation	2,405	2,654
Other	301	1,476
Total deferred tax assets	100,451	97,970
Valuation allowance	(100,451)	(97,970)
Net deferred tax assets	\$ —	\$ —

As of December 31, 2025, the Company's federal and state post-apportioned carryforwards are approximately \$183.3 million and \$181.6 million, respectively. Of the federal amount, \$183.3 million will have an indefinite carryforward period. Of the state post-apportioned amount, \$181.6 million have a limited carryforward period and will begin to expire in 2038.

As of December 31, 2025, the Company's federal and state carryforwards are approximately \$25.0 million and \$0.9 million, respectively. All tax credits have a limited carryforward period and will begin to expire in 2038.

After weighing all available positive and negative evidence, the Company has recorded a valuation allowance of approximately \$100.5 million and \$98.0 million as of December 31, 2025 and 2024, respectively. The Company increased the valuation allowance by \$2.5 million and \$19.7 million for the years ended December 31, 2025 and 2024, respectively.

The Company is subject to income tax in multiple jurisdictions, including federal, states, and city jurisdictions. The Company has federal, state, and city income tax returns that are open to examination from 2022, 2023, and 2024 forward, respectively. In addition, the utilization of tax carryforwards, from periods prior to those previously mentioned may also be audited by the taxing authorities once utilized.

As a result, the Company continuously monitors its current and prior filing positions in order to determine if any unrecognized tax positions need to be recorded. The analysis involves considerable judgement and is based on the best information available. As of December 31, 2025 the Company has no unrecognized tax benefits.

The Company has not accrued any interest expense or penalties related to the unrecognized tax benefits for the period ended December 31, 2025.

RALLYBIO CORPORATION**Notes to Consolidated Financial Statements - (Continued)**

The Company has made no income tax payments and received no income tax refunds during the periods ended December 31, 2025 and 2024. All payments made to taxing authorities were for non-income based tax liabilities and are outside the scope of ASC 740.

The One Big Beautiful Bill Act (the "OBBBA") was enacted on July 4, 2025. The Company has evaluated whether the OBBBA has a material impact on its 2025 financial statements. The only provision of the OBBBA that impacts the Company's income tax accounting under Accounting Standards Codification 740 is the new Internal Revenue Code of 1986, as amended, Section 174A ("Section 174A"), which permanently allows taxpayers to fully expense domestic research or experimental ("R&E") expenditures paid or incurred in taxable years beginning after December 31, 2024. The requirement to capitalize foreign expenses under Internal Revenue Code Section 174 over 15 years has not changed. On August 28, 2025, the Internal Revenue Service released procedural guidance (Rev. Proc. 2025-28) for implementing Section 174A and related elections for domestic R&E. Transition rules provide taxpayers with options to account for any remaining unamortized domestic R&E expenditures paid or incurred in taxable years beginning after December 31, 2021, and before January 1, 2025. Taxpayers may continue to amortize such unamortized amounts over the remaining five-year period; alternatively, they may elect to deduct any remaining unamortized domestic R&E expenditures either entirely in the first tax year beginning after December 31, 2024, or ratably over two taxable years (e.g., 2025 or ratably in 2025 and 2026). The company has decided it will elect to continue to amortize previously capitalized and unamortized domestic R&E expenditures over the remaining five-year period. As of December 31, 2024, the company had approximately \$41.4 million of remaining unamortized domestic research and development expenditures, representing approximately \$11.4 million of its gross deferred tax assets. As of December 31, 2025, the company had approximately \$25.5 million of remaining unamortized domestic research and development expenditures, representing approximately \$7.0 million of its gross deferred tax assets.

Utilization of the U.S. federal and state net operating loss carryforwards and research and development tax credit carryforwards may be subject to an annual limitation under Section 382 and Section 383 of the Code, and corresponding provisions of state law, due to ownership changes that may have occurred previously or that could occur in the future. These ownership changes may limit the amount of carryforwards that can be utilized annually to offset future taxable income and tax liabilities. In general, an ownership change, as defined by Section 382 of the Code, results from transactions increasing the ownership of certain stockholders or public groups in the stock of a corporation by more than 5% over a three-year period.

The Company completed a Section 382 study and concluded that it underwent an ownership change as defined by the Code during the year ended December 31, 2021. The Company does not currently believe that the annual limitation will result in the expiration of any net operating losses or research and development tax credit carryforwards before utilization. Additional ownership changes which may have occurred after December 31, 2021 and any future ownership changes may limit our ability to utilize remaining tax attributes. Any carryforwards that will expire prior to utilization as a result of such additional limitations will be removed from deferred tax assets, with a corresponding reduction of the valuation allowance. Due to the existence of the valuation allowance, limitations created by future ownership changes, if any, will not impact the Company's effective tax rate.

ASC 740 addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under ASC 740, the Company may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The Company has no material uncertain tax positions that qualify for either recognition or disclosure in consolidated financial statements.

9. INVESTMENT IN JOINT VENTURE

In July 2025, the Company entered into the ENPP1 Purchase Agreement to sell its interest in REV102, an ENPP1 inhibitor in preclinical development for the treatment of patients with HPP, to Buyer (a subsidiary of its joint venture partner Recursion). In connection with the JV Sale, the Company received compensation in the form of Recursion

RALLYBIO CORPORATION**Notes to Consolidated Financial Statements - (Continued)**

common stock (which is a non-cash investing activity). The Company subsequently sold the Recursion common stock for cash proceeds of \$20.0 million in the third quarter of 2025 which included \$7.5 million from an upfront payment and \$12.5 million from a milestone payment related to the initiation of additional preclinical studies. The Company is eligible to receive a \$5.0 million milestone cash payment in connection with the initiation of dosing in a Phase 1 clinical study, as defined in the ENPP1 Purchase Agreement and low single-digit royalties on all future net sales by Recursion of products comprising or incorporating certain compounds developed by REV-I. The Company may also be eligible to receive certain payments in the event of Recursion's sale of the REV102 program.

The Company evaluated the JV Sale under ASC 860, *Transfers and Servicing of Financial Assets* ("ASC 860"). Based on the Company's evaluation of the JV Sale under ASC 860, the Company recognized a gain from the sale of its equity interests in REV102 of \$22.4 million, based on the excess of the total net consideration allocated to the sale of the Company's equity interests (based on relative fair value) of \$23.0 million over the carrying value of the equity interests sold of \$0.6 million. The total net consideration of \$23.0 million included cash received of \$20.0 million, plus an estimated \$3.0 million representing the fair value of the future milestone payments and future royalties (which is a non-cash investing activity).

The contingent consideration was initially measured at fair value using a probability based present value model of the risk-adjusted estimated cash flows, with a discount rate of 15.4%. This valuation model relied on significant unobservable inputs (level 3 inputs) based on management's estimates, which were informed by external data, judgment, and forecasts. Key assumptions included the probability of achieving the milestone and royalties, timing of cash flows, discount rate, and forecasted net revenues. The fair value of the contingent consideration is a non-recurring fair value measurement and is recorded as other assets and other assets, non-current on the Company's consolidated balance sheets and as gain on sale of joint venture and other income within the Company's consolidated statements of operations and comprehensive loss.

Prior to the JV Sale, the Company, through one of its wholly owned subsidiaries, had a 50% interest of the joint venture entity, REV-I. For the years ended December 31, 2025 and 2024 the Company funded \$1.5 million and \$2.0 million, respectively, associated with the Company's commitment and its share of REV-I development costs. The Company did not provide any additional financial support outside of capital contributions to REV-I during the years ended December 31, 2025 and 2024. However, in connection with the joint venture, the Company provided certain scientific and finance and accounting related support which was reimbursed by REV-I to the Company and included in other income on the consolidated statements of operations and comprehensive loss. For the years ended December 31, 2025 and 2024, the Company recorded \$0.3 million and \$0.7 million, respectively, related to such support. Prior to the JV Sale, the Company held a 50% interest in the joint venture and based on management's analysis, the Company was not the primary beneficiary of REV-I and accordingly, the entity was not consolidated in the Company's consolidated financial statements.

For the years ended December 31, 2025 and 2024, the Company recorded its allocable share of REV-I's losses, which totaled \$0.9 million and \$2.2 million, respectively, as a loss on investment in joint venture in the consolidated statements of operations and comprehensive loss. After recognition of its share of losses for the period, the carrying value and maximum exposure to risk of the REV-I investment there was no carrying value remaining on the REV-I investment as of December 31, 2025 or 2024.

10. COMMITMENTS AND CONTINGENCIES

Purchase Commitments—The Company enters contracts in the normal course of business with contract research organizations ("CROs") and other third-party vendors for clinical trials and testing and manufacturing services. These contracts generally do not contain minimum purchase commitments and are cancellable by us upon written notice. Payments that may be due upon cancellation consist of payments for services provided or expenses incurred prior to cancellation. As of December 31, 2025 and 2024 there were no amounts accrued related to termination charges.

RALLYBIO CORPORATION
Notes to Consolidated Financial Statements - (Continued)

11. NET LOSS PER COMMON SHARE

Basic and diluted loss per common share were calculated as follows:

	FOR THE YEAR ENDED DECEMBER 31,	
	2025	2024
(in thousands except share and per share amounts)		
Net loss	\$ (8,978)	\$ (57,775)
Weighted-average number of common shares outstanding, basic and diluted	5,629,370	5,443,332
Net loss per common share, basic and diluted	<u>\$ (1.59)</u>	<u>\$ (10.61)</u>

Basic net loss per share of common stock is based on the weighted-average number of shares of common stock outstanding during the period. Pre-funded warrants to purchase 416,673 shares of common stock that were issued in connection with the November 2022 follow-on offering were included in the weighted-average number of common shares outstanding for the years ended December 31, 2025 and 2024, respectively. The weighted-average number of common shares outstanding diluted for the years ended December 31, 2025 and 2024 both exclude approximately \$0.7 million stock options and nonvested restricted stock awards and units, which were not dilutive.

12. SEGMENTS

The Company defines its segments on the basis of the way in which internally reported financial information is regularly reviewed by the CODM to analyze financial performance, make decisions, and allocate resources. The Company's CODM consists of its Chief Executive Officer, Chief Financial Officer and Chief Medical Officer. The Company manages its operations as a single operating and reportable segment and the measure of segment profit or loss is net loss. The CODM uses net loss in the budget and forecasting process and considers budget-to-actual variances on a quarterly basis when making decisions about the allocation of operating and capital resources.

The following table summarizes the information about reported segment revenues and significant segment expenses presented on the Company's consolidated statements of operations and comprehensive loss for the years ended December 31, 2025 and 2024:

	FOR THE YEAR ENDED DECEMBER 31,	
	2025	2024
(in thousands)		
Revenue	\$ 858	\$ 636
Less:		
Research and development:		
RLYB212	6,291	21,287
RLYB116	3,786	4,841
Other program candidates	(29)	1,901
Personnel (including share-based compensation)	8,798	12,488
Other	751	990
General and administrative, excluding personnel	6,078	6,654
General and administrative, personnel (including share-based compensation)	8,247	12,971
Other segment items*	(24,086)	(2,721)
Segment net loss	<u>\$ (8,978)</u>	<u>\$ (57,775)</u>

* Other segment items includes total other income, net and gain and loss on investment in joint venture.

RALLYBIO CORPORATION
Notes to Consolidated Financial Statements - (Continued)

13. RESTRUCTURING

On May 2, 2025, the Company approved a workforce reduction to focus resources on the Company's lead program, RLYB116 and its preclinical development programs.

As part of this effort, the Company eliminated approximately 40% of its positions. As a result of these actions, the Company incurred charges of approximately \$1.7 million of which \$1.2 million was included in research and development expenses and \$0.5 million was included in general and administrative expenses, with such amounts reflected in the consolidated statements of operations and comprehensive loss. The charges related to the workforce reduction were cash-based expenditures related primarily to severance and benefit payments. The Company recognized all such charges during the second quarter of 2025, with such amounts reflected in the consolidated statements of operations and comprehensive loss. The accrued restructuring liability is included in accrued expenses in the consolidated balance sheets as of December 31, 2025.

In February, 2024, the Company announced a prioritization of its portfolio and a workforce reduction to focus resources primarily on the continued development of RLYB212.

As part of this effort, the Company eliminated approximately 45% of its positions. As a result of these actions, the Company incurred charges of approximately \$3.3 million of which \$2.0 million was included in research and development expenses and \$1.3 million was included in general and administrative expenses, with such amounts reflected in the consolidated statements of operations and comprehensive loss. The charges related to the workforce reduction are cash-based expenditures related primarily to severance and benefit payments. The Company recognized all such charges in the first quarter of 2024, with such amounts reflected in the consolidated statements of operations and comprehensive loss.

Substantially all restructuring payments are expected to be completed by August 2026.

The following table summarizes the restructuring accrued expense activity as of December 31, 2025:

(in thousands)	DECEMBER 31, 2025
Beginning accrued severance	\$ 203
Severance incurred during the period	1,706
Severance paid and adjustments made during the period	(1,386)
Ending accrued severance	\$ 523

14. SUBSEQUENT EVENTS

Share Price and Reverse Split

On February 24, 2025, the Company received a notification letter from The Nasdaq Stock Market LLC ("Nasdaq") Listing Qualifications Department notifying the Company that the closing bid price of the Company's shares of common stock was below the minimum closing bid price of \$1.00 per share during the prior 30 consecutive business days (the "Notice"), as required for continued listing on the Nasdaq. Pursuant to Nasdaq's Listing Rules, the Company had until August 25, 2025 (the "Initial Compliance Date") to regain compliance with the minimum closing bid price requirement. As of the Initial Compliance Date, the Company had not regained compliance with the minimum closing bid price requirement.

On August 26, 2025, Nasdaq notified the Company that it had approved the Company's application to transfer its listing to the Nasdaq Capital Market and that the Company is eligible for an additional 180 calendar day period, or until February 23, 2026 (the "Second Compliance Date"), to regain compliance with the minimum closing bid price requirement. At the opening of business on August 29, 2025, the Company's common stock was transferred to the Nasdaq Capital Market, which operates in substantially the same manner as the Nasdaq Global Select Market, where it will continue to trade under the symbol "RLYB."

RALLYBIO CORPORATION

Notes to Consolidated Financial Statements - (Continued)

On January 26, 2026, the Company's stockholders approved a proposal to amend its Amended and Restated Certificate of Incorporation (the "Certificate of Incorporation") with the Secretary of State of the State of Delaware to effect a reverse stock split of the Company's issued and outstanding common stock, par value \$0.0001 at a ratio of 1-for-8. Pursuant to the Certificate of Amendment, the Reverse Stock Split became effective at 12:01 a.m., Eastern Time, on February 6, 2026 and began trading on a post-split basis under CUSIP number 75120L 209.

All common share, per share and related information included in the accompanying financial statements and footnote disclosures have been adjusted retroactively, where applicable, to reflect the Reverse Stock Split.

On February 24, 2026, Rallybio received a letter from Nasdaq notifying the Company it had regained compliance with the Nasdaq's Listing Rules and that it complies with the requirements for continued listing.

Proposed Merger with Candid Therapeutics

On March 1, 2026, Rallybio entered into the Merger Agreement with Candid, a clinical-stage biotechnology company advancing a leading portfolio of TCE therapeutics for autoimmune diseases, and the Merger Sub. Upon the terms and subject to the satisfaction of the conditions described in the Merger Agreement, Merger Sub will be merged with and into Candid, with Candid surviving as a wholly owned subsidiary of the Merger. The Merger is intended to qualify as a tax-free reorganization for U.S. federal income tax purposes.

Subject to the terms and conditions of the Merger Agreement, at the Effective Time, (a) each then-outstanding share of common stock or preferred stock of Candid Share (excluding any share described in clauses (b) or (c) below and Candid Shares held by stockholders who have exercised and perfected appraisal rights for such shares) will be converted into the right to receive a number of shares of Rallybio Common Stock, par value \$0.0001 per share, calculated in accordance with the Exchange Ratio, (b) each Candid Share issued in the Concurrent Financing will be converted into the right to receive a number of shares of Rallybio Common Stock calculated in accordance with the Concurrent Financing Exchange Ratio, (c) any Candid Shares held as treasury shares or held or owned by Rallybio, Merger Sub or any subsidiary of Rallybio or Candid immediately prior to the Effective Time will be canceled and shall cease to exist, and no consideration shall be delivered in exchange therefor. Each then-outstanding option to purchase Candid Shares will be converted into an option to purchase Rallybio Common Stock, subject to adjustment as set forth in the Merger Agreement.

Concurrently with the execution and delivery of the Merger Agreement, certain investors entered into a subscription agreement with Candid, pursuant to which such investors have agreed to purchase, immediately prior to the Merger, shares of Candid common stock representing an aggregate commitment of approximately \$505.5 million in the Concurrent Financing. The shares of Candid common stock that are issued in the Concurrent Financing will be or will have the right to be, respectively, converted into shares of Rallybio common stock in the Merger.

Under the Exchange Ratio and Concurrent Financing Exchange Ratio formulas in the Merger Agreement, immediately after the Closing, on a pro forma basis and based upon the number of shares of Rallybio Common Stock expected to be issued in connection with the Merger, pre-Merger equityholders of Candid (other than investors in the Concurrent Financing) are expected to own approximately 57.55% of the combined company, pre-Merger equityholders of Rallybio are expected to own approximately 3.65% of the combined company and the Investors in the Concurrent Financing are expected to own approximately 38.80% of the combined company (assuming proceeds from the Concurrent Financing of \$505.5 million), in each case, calculated on a fully diluted basis, using the treasury stock method, and subject to certain assumptions, including (i) a valuation for Rallybio of \$47.5 million (assuming Rallybio has net cash ("Rallybio Net Cash") of \$37.5 million as of the closing of the Merger (the "Closing" and such date, the "Closing Date")), (ii) a fixed valuation for Candid of \$750.0 million, and (iii) the relative capitalization of Rallybio and Candid. The percentage of the combined company that each party's equity holders will own following the Closing is subject to certain adjustments as described in the Merger Agreement, including the amount of the final Rallybio Net Cash at Closing.

Immediately prior to the Effective Time, Rallybio and a rights agent are expected to enter into the CVR Agreement, pursuant to which holders of record of certain Rallybio securities as of the close of business on the last business day

RALLYBIO CORPORATION

Notes to Consolidated Financial Statements - (Continued)

prior to the day on which the Effective Time occurs will receive one contingent value right (each, a "CVR") for each outstanding share of Rallybio Common Stock, prefunded warrant, Rallybio restricted stock unit or In the Money Parent Option (as defined in the CVR Agreement) held as of such date. Pursuant to the CVR Agreement, each CVR holder will be entitled to receive their pro rata share of (i) all of the net proceeds (including cash the value of stock to the extent listed on a national exchange, at the time of disposition), if any, received by Rallybio as a result of payments made to Rallybio of any upfront, milestone, royalty and other payments received under any disposition agreement related to Rallybio's Legacy Assets, and (ii) all of the cash proceeds, if any, received from Recursion under the Membership Interest Purchase Agreement, dated July 8, 2025, by and among Recursion, Exscientia Ventures I, Inc., Rallybio Corporation and Rallybio IPB, LLC. For a period of one year after the Closing Date, Rallybio will use commercially reasonable efforts to effect the disposition of the Legacy Assets. Such net proceeds will be subject to certain permitted deductions, including for applicable tax payments, certain expenses incurred or other liabilities borne by Rallybio or its affiliates in respect of the Legacy Assets, and losses incurred by Rallybio or its affiliates due to a third-party proceeding in connection with such disposition.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the Board of Directors of Candid Therapeutics, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Candid Therapeutics, Inc. and subsidiaries (the "Company") as of December 31, 2025 and 2024, the related consolidated statements of operations and comprehensive loss, convertible preferred stock and stockholders' deficit, and cash flows, for the year ended December 31, 2025, and the period from May 1, 2024 (inception) to December 31, 2024, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for the year ended December 31, 2025, and period from May 1, 2024 (inception) to December 31, 2024, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Deloitte & Touche LLP

March 16, 2026
San Diego, California

We have served as the Company's auditor since 2024.

Candid Therapeutics, Inc.
Consolidated Balance Sheets
(in thousands, except share and per share data)

	December 31,	
	2025	2024
Assets		
Current assets:		
Cash and cash equivalents	\$ 20,876	\$ 75,289
Short-term investments	202,389	229,696
Prepaid expenses and other current assets	4,483	5,619
Total current assets	227,748	310,604
Property and equipment, net	167	200
Operating lease right-of-use assets	1,703	1,756
Other long-term assets	1,952	3,142
Total assets	<u>\$ 231,570</u>	<u>\$ 315,702</u>
Liabilities, Convertible Preferred Stock and Stockholders' Deficit		
Current liabilities:		
Accounts payable	\$ 803	\$ 168
Accrued expenses and other current liabilities	14,219	10,657
Current portion of operating lease liabilities	625	423
Total current liabilities	15,647	11,248
Operating lease liabilities, net of current portion	1,197	1,446
Other long-term liabilities	206	350
Total liabilities	17,050	13,044
Commitments and contingencies (Note 4)		
Convertible preferred stock, \$0.0001 par value; authorized shares – 367,005,749 at December 31, 2025 and 2024; issued and outstanding shares – 367,005,749 at December 31, 2025 and 2024; liquidation preference – \$401,407 at December 31, 2025 and 2024	427,735	427,735
Stockholders' deficit:		
Common stock, \$0.0001 par value; authorized shares – 574,000,000 at December 31, 2025 and 2024; issued shares – 141,472,337 and 146,066,635 at December 31, 2025 and 2024, respectively; outstanding shares – 99,375,112 and 71,091,026 at December 31, 2025 and 2024, respectively	10	7
Additional paid-in capital	52,714	49,404
Accumulated other comprehensive income (loss)	602	(182)
Accumulated deficit	(266,541)	(174,306)
Total stockholders' deficit	(213,215)	(125,077)
Total liabilities, convertible preferred stock and stockholders' deficit	<u>\$ 231,570</u>	<u>\$ 315,702</u>

See accompanying notes.

Candid Therapeutics, Inc.
Consolidated Statements of Operations and Comprehensive Loss
(in thousands, except share and per share data)

	Year Ended December 31, 2025	Period from May 1, 2024 (inception) to December 31, 2024
Operating expenses:		
Research and development	\$ 62,240	\$ 14,095
In-process research and development (includes related party amounts of \$0 and \$153,502, respectively)	31,300	162,027
General and administrative	8,715	3,073
Total operating expenses	<u>102,255</u>	<u>179,195</u>
Loss from operations	(102,255)	(179,195)
Other income (expense), net:		
Interest income	10,022	5,119
Interest expense	—	(23)
Change in fair value of convertible promissory note – related party	—	(207)
Other expense	<u>(2)</u>	<u>—</u>
Total other income (expense), net	10,020	4,889
Net loss	<u>\$ (92,235)</u>	<u>\$ (174,306)</u>
Other comprehensive loss:		
Unrealized gain (loss) on investment securities	784	(182)
Comprehensive loss	<u>\$ (91,451)</u>	<u>\$ (174,488)</u>
Net loss per share, basic and diluted	<u>\$ (1.08)</u>	<u>\$ (4.44)</u>
Weighted-average shares of common stock outstanding, basic and diluted	<u>85,696,944</u>	<u>39,300,315</u>

See accompanying notes.

Candid Therapeutics, Inc.
Consolidated Statements of Convertible Preferred Stock and Stockholders' Deficit
(in thousands, except share data)

	Convertible Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount				
Balance at May 1, 2024 (inception)	—	\$ —	—	\$ —	\$ —	\$ —	\$ —	\$ —
Issuance of common stock and Series A-1 and Series A-2 convertible preferred stock in connection with asset acquisitions	194,999,985	222,133	70,499,985	7	48,638	—	—	48,645
Issuance of Series B convertible preferred stock for cash, net of \$805 of issuance costs	171,666,659	205,195	500,000	—	345	—	—	345
Conversion of convertible promissory note with related party into Series B convertible preferred stock	339,105	407	—	—	—	—	—	—
Vesting of early exercised stock options	—	—	91,041	—	18	—	—	18
Stock-based compensation	—	—	—	—	403	—	—	403
Unrealized loss on investment securities	—	—	—	—	—	(182)	—	(182)
Net loss	—	—	—	—	—	—	(174,306)	(174,306)
Balance at December 31, 2024	367,005,749	\$427,735	71,091,026	\$ 7	\$ 49,404	\$ (182)	\$ (174,306)	\$ (125,077)
Exercise of vested common stock options	—	—	227,083	—	61	—	—	61
Vesting of early exercised stock options and founder shares	—	—	28,057,003	3	183	—	—	186
Stock-based compensation	—	—	—	—	3,066	—	—	3,066
Unrealized gain (loss) on investment securities	—	—	—	—	—	784	—	784
Net loss	—	—	—	—	—	—	(92,235)	(92,235)
Balance at December 31, 2025	<u>367,005,749</u>	<u>\$427,735</u>	<u>99,375,112</u>	<u>\$ 10</u>	<u>\$ 52,714</u>	<u>\$ 602</u>	<u>\$ (266,541)</u>	<u>\$ (213,215)</u>

See accompanying notes.

Candid Therapeutics, Inc.
Consolidated Statements of Cash Flows
(in thousands)

	Year Ended December 31, 2025	Period from May 1, 2024 (inception) to December 31, 2024
Cash flows from operating activities		
Net loss	\$ (92,235)	\$ (174,306)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	53	19
Stock-based compensation	3,066	403
In-process research and development (includes related party amount of \$0 and \$153,502, respectively)	31,300	162,027
Write-off of deferred offering costs	1,626	—
Change in fair value of convertible promissory note – related party	—	207
Accretion of discounts on investments, net	(5,259)	(1,170)
Changes in operating assets and liabilities:		
Prepaid expenses and other assets	713	(6,380)
Accounts payable, accrued expenses and other current liabilities	4,167	9,816
Operating lease right-of-use assets and liabilities, net	6	113
Net cash used in operating activities	(56,563)	(9,271)
Cash flows from investing activities		
Purchases of property and equipment	(20)	(219)
Cash paid for in-process research and development	(31,300)	(8,525)
Net cash acquired in connection with asset acquisitions	—	116,517
Purchases of investment securities	(86,650)	(228,708)
Maturities of investment securities	120,000	—
Net cash provided by (used in) investing activities	2,030	(120,935)
Cash flows from financing activities		
Proceeds from issuance of convertible preferred stock, net of issuance costs	—	205,540
Proceeds from issuance of promissory note—related party	—	3,000
Repayment of promissory note—related party	—	(3,000)
Proceeds from issuance of convertible promissory note—related party	—	200
Proceeds from exercise of common stock options	103	368
Payment of initial public offering costs	(86)	(510)
Net cash provided by financing activities	17	205,598
Net increase (decrease) in cash, cash equivalents and restricted cash	(54,516)	75,392
Cash, cash equivalents and restricted cash, beginning of period	75,392	—
Cash, cash equivalents and restricted cash, end of period	\$ 20,876	\$ 75,392
Supplemental disclosure of cash flow information		
Cash paid for interest	\$ —	\$ 23
Supplemental disclosure of noncash investing and financing activities		
Right-of-use asset and operating lease liabilities	\$ 467	\$ 1,954
Vesting of restricted common stock	\$ 152	\$ 18
Conversion of convertible promissory note with related party into Series B convertible preferred stock	\$ —	\$ 407
Issuance of common stock and convertible preferred stock in connection with asset acquisitions	\$ —	\$ 270,778
Issuance of common stock as issuance costs in connection with issuance of Series B convertible preferred stock	\$ —	\$ 345
Unpaid initial public offering costs in accounts payable, accrued expenses and other current liabilities	\$ —	\$ 999

See accompanying notes.

Candid Therapeutics, Inc.
Notes to Consolidated Financial Statements

1. Organization and Basis of Presentation**Description of Business**

Candid Therapeutics, Inc. (including its subsidiaries, the "Company") was incorporated in the State of Delaware on May 1, 2024 and is based in San Diego, California. The Company is a global clinical-stage biotechnology company focused on building the leading portfolio of T cell engager therapeutics to treat autoimmune diseases.

Forward Stock Split

On August 19, 2024, the Company effected a 55.1-for-1 forward split of shares of the Company's common stock (the "Forward Stock Split"). The par value of the common stock was not adjusted as a result of the Forward Stock Split. The accompanying financial statements and notes to the financial statements give retroactive effect to the Forward Stock Split for the periods presented.

Basis of Presentation

On August 19, 2024, the Company entered into an agreement and plan of merger and reorganization (the "2024 Merger") (See Note 5) whereby Vignette Bio, Inc. ("Vignette") and TRC 2004, Inc. ("TRC") became wholly owned subsidiaries of Candid Therapeutics, Inc. until Vignette and TRC were merged into Candid Therapeutics, Inc. on December 27, 2024. On January 22, 2025, Candid Therapeutics, Inc. established Shanghai Tandi Biotechnology Co., Ltd. ("Tandi"), a Shanghai Limited Liability Company, as a wholly owned foreign subsidiary located in Shanghai, China, formed for the primary purpose of conducting clinical trials in China. The consolidated financial statements include the accounts of Candid Therapeutics, Inc. for the periods presented, the accounts of Vignette and TRC from August 19, 2024 through December 27, 2024, and the accounts of Tandi from formation through December 31, 2025. All intercompany balances were eliminated in consolidation.

Transactions with Related Parties

At the time of the 2024 Merger, Ken Song, M.D., the Company's President and Chief Executive Officer, was a member of the board of directors of Vignette. In addition, each of Vignette and TRC had a board member in common with the Company. As a result, the 2024 Merger and related in-process research and development ("IPR&D") expense of \$153.5 million are related party transactions (See Note 5). In June 2024, the Company issued a \$0.2 million convertible promissory note (the "Song Note") to a trust for which Ken Song, M.D. is a trustee (See Note 7) and issued a \$3.0 million promissory note (the "Foresite Note") to Foresite Capital Fund VI, L.P., who, along with its affiliates (together "Foresite"), were principal owners of the Company at the time of repayment of the Foresite Note (See Note 7).

Liquidity and Capital Resources

From its inception to December 31, 2025, the Company has devoted substantially all its resources and efforts to organizing and staffing the Company, business planning, raising capital, identifying assets, engaging in strategic transactions and licensing agreements, establishing and protecting its intellectual property portfolio, preparing for and conducting its ongoing and planned preclinical studies and preparing for and conducting its ongoing and planned clinical trials, advancing arrangements with third parties for the manufacture of its drug candidates and component materials, and providing general and administrative support for these operations. The Company has incurred net losses since inception and had an accumulated deficit of \$266.5 million as of December 31, 2025. From inception to December 31, 2025, the Company has funded its operations primarily with the net proceeds from the issuance of shares of its convertible preferred stock, the issuance of its capital stock in connection with the 2024 Merger and income from investment securities. The Company expects to incur substantial operating losses for the foreseeable future and will need to obtain additional financing in order to initiate and complete clinical trials and launch and commercialize any drug candidates for which it receives regulatory approval. The Company plans to finance its cash needs through public or private equity or debt financings or other sources. If the Company is not able to secure adequate additional funding, the Company may be forced to make reductions in spending, extend payment terms with suppliers, liquidate assets where possible, or suspend or curtail planned programs. Any of these actions could materially harm the Company's business, financial condition, results of operations and prospects. There can be no assurance that such financing will be available or will be at terms acceptable to the Company.

Candid Therapeutics, Inc.**Notes to Consolidated Financial Statements - (Continued)**

As of December 31, 2025, the Company had cash and cash equivalents and short-term investments of \$223.3 million which it believes will be sufficient to fund its planned operations for a period of at least 12 months from the date of issuance of these consolidated financial statements.

2. Summary of Significant Accounting Policies***Use of Estimates***

The Company's financial statements are prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). The preparation of the Company's financial statements requires it to make estimates and assumptions that impact the reported amounts of assets, liabilities and expenses and the disclosure of contingent assets and liabilities in the Company's consolidated financial statements and accompanying notes. The most significant estimates in the Company's consolidated financial statements relate to accruals for research and development expenses, stock-based compensation and the determination of the fair value of the Company's common and preferred stock (See "Fair Value Measurements" below). These estimates and assumptions are based on current facts, historical experience and various other factors believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the recording of expenses that are not readily apparent from other sources. Actual results may differ materially and adversely from these estimates. To the extent there are material differences between the estimates and actual results, the Company's future results of operations will be affected.

Fair Value Measurements

The accounting guidance defines fair value, establishes a consistent framework for measuring fair value and expands disclosure for each major asset and liability category measured at fair value on either a recurring or non-recurring basis. Fair value is defined as an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, the accounting guidance establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

- Level 1: Observable inputs such as quoted prices in active markets.
- Level 2: Inputs, other than the quoted prices in active markets that are observable either directly or indirectly.
- Level 3: Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

The carrying value of the Company's financial instruments, including cash, restricted cash, prepaid and other current assets, accounts payable and accrued expenses and other current liabilities are considered to be representative of their respective fair values due to the short-term nature of those instruments.

Financial assets measured at fair value on a recurring basis consist of marketable securities. The fair value of marketable securities is based upon market prices quoted on the last day of the fiscal period or other observable market inputs. The Company obtains pricing information from its investment manager and generally determines the fair value of investment securities using standard observable inputs, including reported trades, broker/dealer quotes, bids and/or offers.

As of December 31, 2025 and 2024, the Company had no financial liabilities measured at fair value on a recurring basis. None of the Company's non-financial assets or liabilities are recorded at fair value on a non-recurring basis. No transfers between levels have occurred during the periods presented.

Candid Therapeutics, Inc.
Notes to Consolidated Financial Statements - (Continued)

The following tables summarize the Company's financial assets measured at fair value on a recurring basis (in thousands):

		Fair Value Measurements at Reporting Date Using:		
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
As of December 31, 2025:				
Cash equivalents:				
Money market funds	\$ 1,892	\$ 1,892	\$ —	\$ —
Total cash equivalents	1,892	1,892	—	—
Short-term investments:				
Corporate debt securities	13,858	—	13,858	—
U.S. treasury securities	188,531	—	188,531	—
Total short-term investments	202,389	—	202,389	—
Total assets measured at fair value on a recurring basis	\$204,281	\$ 1,892	\$ 202,389	\$ —
As of December 31, 2024:				
Cash equivalents:				
Money market funds	\$ 43,808	\$ 43,808	\$ —	\$ —
Total cash equivalents	43,808	43,808	—	—
Short-term investments:				
U.S. treasury securities	229,696	—	229,696	—
Total short-term investments	229,696	—	229,696	—
Total assets measured at fair value on a recurring basis	\$273,504	\$ 43,808	\$ 229,696	\$ —

As further described in Note 7, the Company issued the Song Note in June 2024. The Company elected the fair value option for the Song Note. The initial fair value was estimated using probability-weighted scenarios considering the possibility of conversion upon a qualified financing event, repayment at maturity, and a dissolution scenario. Outstanding principal and interest on the Song Note was converted into 339,105 shares of the Company's Series B convertible preferred stock on August 19, 2024, which had a fair value of \$0.4 million at the time of conversion. As a result, during 2024, the Company recognized a change in fair value of convertible promissory note—related party of \$0.2 million in the consolidated statements of operations and comprehensive loss related to the change in fair value from the issuance date to its settlement in August 2024. The fair value of the Song Note upon settlement was based on the fair value of the Series B convertible preferred stock issued to the noteholder.

In August 2024, in connection with the 2024 Merger described in Note 5, the Company issued capital stock as consideration in the transaction. The Company estimated the fair value of its capital stock using methodologies, approaches and assumptions consistent with the American Institute of Certified Public Accountants Accounting and Valuation Guide: *Valuation of Privately Held Company Equity Securities Issued as Compensation* (the "Practice Aid"). The Practice Aid prescribes several valuation approaches for setting the value of an enterprise, such as the cost, income and market approaches, and various methodologies for allocating the value of an enterprise to its capital stock. After giving consideration to its Series B preferred stock financing in August 2024 with new investors, and a potential initial public offering ("IPO"), the Company concluded a hybrid method utilizing both IPO and alternative exit scenarios was most appropriate. The hybrid method is useful when certain discrete future outcomes can be predicted, but also accounts for uncertainty regarding the timing or likelihood of specific alternative exit events. The equity value in the IPO scenario was determined using the fully diluted backsolve method, which

Candid Therapeutics, Inc.
Notes to Consolidated Financial Statements - (Continued)

assumes that all shares in the Company are equal to the most recent round of financing on a fully diluted basis. The equity value in the alternative exit scenario was determined using the backsolve method that considers the rights and preferences of each class of equity and solving for the total market value of invested capital that is consistent with a recent transaction in the Company's own securities. The equity value in the alternative exit scenario was allocated using the option pricing method, whereby shares are valued by creating a series of call options with exercise prices based on the liquidation preferences and conversion terms of each equity class. The values of the preferred and common stock are inferred by analyzing these options.

There are significant judgments, assumptions and estimates inherent in the determination of the fair value of the Company's capital stock. These include determination of a valuation method and selection of the possible outcomes available to the Company, including the determination of timing and expected future investment returns for such scenarios. The related judgments, assumptions and estimates are highly interrelated and changes in any one assumption could necessitate changes in another. In particular, any changes in the probability of a particular outcome would require a related change to the probability of another outcome.

The following table provides a reconciliation of all liabilities measured at fair value using Level 3 significant unobservable inputs (in thousands):

	Convertible Promissory Note—Related Party
Balance at May 1, 2024 (inception)	\$ —
Issuance of convertible promissory note	200
Change in fair value	207
Settlement of convertible promissory note	(407)
Balance at December 31, 2024	\$ —

The Company had no liabilities measured at fair value using Level 3 significant unobservable inputs during the year ended December 31, 2025.

Cash, Cash Equivalents and Restricted Cash

The Company considers all highly liquid investments with original maturities of three months or less when purchased to be cash equivalents. Cash and cash equivalents include cash in readily available checking accounts and money market funds.

As of December 31, 2025, the Company had no restricted cash. As of December 31, 2024, restricted cash consisted of a money market account held as collateral in connection with the Company's corporate credit cards. Cash, cash equivalents and restricted cash presented in the accompanying consolidated statements of cash flows consisted of the following (in thousands):

	December 31, 2025	2024
Cash and cash equivalents	\$20,876	\$75,289
Restricted cash included in prepaid and other current assets	—	103
Cash, cash equivalents and restricted cash	\$20,876	\$75,392

Marketable Securities

The Company's marketable securities primarily consist of money market funds, corporate debt securities and U.S. treasury securities classified within cash and cash equivalents and short-term investments depending on their maturity at the time of purchase. Short-term investments are marketable securities with maturities greater than three

Candid Therapeutics, Inc.
Notes to Consolidated Financial Statements - (Continued)

months from the date of purchase. The Company classifies marketable securities as available-for-sale, as the sale of such investments may be required prior to maturity to implement management strategies, and therefore has classified all marketable securities with maturity dates beyond three months at the date of purchase as current assets in the accompanying consolidated balance sheets.

Marketable securities classified as available-for-sale securities are carried in the accompanying consolidated balance sheets at fair value with the unrealized gains and losses, net of tax, if any, included in accumulated other comprehensive loss as a component of stockholders' deficit until realized. The cost of marketable securities is adjusted for amortization of premiums or accretion of discounts to maturity, and such amortization or accretion is included in interest income as an adjustment to yield over the life of the instrument. Interest income is recognized in the accompanying consolidated statements of operations and comprehensive loss when earned. Realized gains and losses from the sale of marketable securities are determined on a specific identification basis and included in interest income in the accompanying consolidated statements of operations and comprehensive loss.

The following tables summarize available-for-sale securities (in thousands):

As of December 31, 2025					
	Maturity in Years	Amortized Cost	Unrealized		Estimated Fair Value
			Gains	Losses	
Cash equivalents:					
Money market funds		\$ 1,892	\$ —	\$ —	\$ 1,892
Total cash equivalents		1,892	—	—	1,892
Short-term investments:					
Corporate debt securities	1 year or less	13,823	35	—	13,858
U.S. treasury securities	2 years or less	187,964	567	—	188,531
Total short-term investments		201,787	602	—	202,389
Total		\$203,679	\$602	\$ —	\$204,281

As of December 31, 2024					
	Maturity in Years	Amortized Cost	Unrealized		Estimated Fair Value
			Gains	Losses	
Cash equivalents:					
Money market funds		\$ 43,808	\$ —	\$ —	\$ 43,808
Total cash equivalents		43,808	—	—	43,808
Short-term investments:					
U.S. treasury securities	2 years or less	229,878	40	(222)	229,696
Total short-term investments		229,878	40	(222)	229,696
Total		\$273,686	\$ 40	\$ (222)	\$273,504

The amortized cost and estimated fair value in the tables above excludes \$1.0 million of accrued interest receivable included in prepaid expenses and other current assets in the accompanying consolidated balance sheets as of each December 31, 2025 and 2024.

For available-for-sale securities in an unrealized loss position, the Company first assesses whether it intends to sell, or if it is more likely than not that it will be required to sell, the security before recovery of its amortized cost basis. If either of the criteria regarding intent or requirement to sell is met, the security's amortized cost basis is written down to fair value through earnings. For available-for-sale securities that do not meet the aforementioned criteria,

Candid Therapeutics, Inc.**Notes to Consolidated Financial Statements - (Continued)**

the Company evaluates whether the decline in fair value has resulted from credit losses or other factors. In making this assessment, the Company considers the severity of the impairment, any changes in interest rates, market conditions, changes to the underlying credit ratings and forecasted recovery, among other factors. The credit-related portion of unrealized losses, and any subsequent improvements, are recorded in interest income through an allowance account. Any impairment that has not been recorded through an allowance for credit losses is included in other comprehensive loss in the accompanying consolidated statements of operations and comprehensive loss. For the year ended December 31, 2025 and the period from May 1, 2024 (inception) to December 31, 2024, the Company did not recognize any impairment or realized gains or losses on sales of investments, and the Company did not record an allowance for, or recognize, any expected credit losses.

As of December 31, 2025, the Company had no available-for-sale debt securities in a gross unrealized loss position. As of December 31, 2024, the Company had available-for-sale debt securities with a fair market value of \$118.6 million in a gross unrealized loss position of \$0.2 million. None of these securities had been in a continuous loss position for greater than 12 months.

Concentrations of Credit Risk

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist primarily of cash, cash equivalents, and short-term investments. The Company maintains deposits in federally insured financial institutions in excess of federally insured limits. The Company has not experienced any losses in such accounts and management believes that the Company is not exposed to significant credit risk due to the financial position of the depository institutions in which those deposits are held.

Risks and Uncertainties

The Company is subject to a number of risks similar to other biopharmaceutical companies, including but not limited to, dependency on the clinical and commercial success of its drug candidates, ability to obtain regulatory approval of its drug candidates, uncertainty of broad adoption of its approved drugs, if any, by physicians and patients, manufacturing, the need to obtain adequate additional funding, significant competition, and protection of its intellectual property portfolio.

Property and Equipment, Net

Property and equipment are stated at cost less accumulated depreciation. Depreciation and amortization are calculated using the straight-line method over the estimated useful life of the related assets, generally three to five years. Leasehold improvements are amortized over the shorter of the estimated useful life of the assets or the remaining lease term. Repairs and maintenance costs are charged to expense as incurred.

Leases

At the inception of a contractual arrangement, the Company determines whether the contract contains a lease by assessing whether there is an identified asset and whether the contract conveys the right to control the use of the identified asset in exchange for consideration over a period of time. Lease terms are determined at the commencement date by considering whether renewal options and termination options are reasonably assured of exercise. For its long-term operating leases, the Company recognizes a lease liability and a right-of-use ("ROU") asset on its consolidated balance sheets and recognizes lease expense on a straight-line basis over the lease term. The lease liability is determined as the present value of future lease payments using the discount rate implicit in the lease or, if the implicit rate is not readily determinable, an estimate of the Company's incremental borrowing rate. The ROU asset is based on the lease liability, adjusted for any prepaid or deferred rent. The Company aggregates all lease and non-lease components for each class of underlying assets into a single lease component and variable charges for common area maintenance and other variable costs are recognized as expense as incurred. The Company has elected to not recognize a lease liability or ROU asset in connection with short-term operating leases and recognizes lease expense for short-term operating leases on a straight-line basis over the lease term. The Company did not have any financing leases from inception to December 31, 2025.

Candid Therapeutics, Inc.
Notes to Consolidated Financial Statements - (Continued)

Impairment of Long-Lived Assets

The Company reviews long-lived assets, such as property and equipment, for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to the future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured as the amount by which the carrying amount of the assets exceeds the fair value of the assets. Fair value would be assessed using discounted cash flows or other appropriate measures of fair value. The Company has not recognized any impairment losses for the period from inception to December 31, 2025.

Deferred Offering Costs

During 2025 and 2024, the Company incurred deferred offering costs consisting of legal, accounting and other fees and costs directly attributable to its planned IPO. During the year ended December 31, 2025, the Company expensed \$1.6 million of previously deferred IPO costs, included as a component of general and administrative expense.

Business Combinations and Asset Acquisitions

In accordance with Accounting Standards Codification ("ASC") 805, *Business Combinations* ("ASC 805"), upon an acquisition, the Company performs an initial test to determine whether substantially all of the fair value of the gross assets transferred is concentrated in a single identifiable asset or a group of similar identifiable assets, such that the acquisition would represent an asset acquisition rather than a business combination. If that test indicates that the set of assets and activities is a business, the Company then performs a second test to evaluate whether the assets and activities transferred include inputs and substantive processes that together, significantly contribute to the ability to create outputs, which would constitute a business. If the result of the second test suggests that the acquired assets and activities constitute a business, the Company accounts for the transaction as a business combination.

For transactions accounted for as business combinations, the Company allocates the fair value of acquisition consideration to the identifiable assets acquired and liabilities assumed based on their estimated fair values. The excess of the fair value of acquisition consideration over the fair value of acquired identifiable assets and liabilities assumed is recognized as goodwill. During the measurement period of a business combination, which is not to exceed one year, if new information is obtained about facts and circumstances that existed as of the acquisition date, changes in the estimated fair values of the net assets recorded may change the amount of the purchase price allocable to the excess over the fair value of assets acquired. Upon the conclusion of the measurement period, any subsequent adjustments are recorded to earnings. Acquisition-related costs in a business combination are expensed as incurred.

Acquisitions of assets or a group of assets that do not meet the definition of a business are accounted for as asset acquisitions, with a cost accumulation model used to determine the cost of the acquisition. For an asset acquisition, the fair value of acquisition consideration is allocated to the identifiable assets acquired and liabilities assumed at cost on a relative fair value basis. If a single asset is acquired, the entire cost is attributed to the acquired asset. In addition, for such asset acquisitions, no goodwill is recognized, acquisition-related costs are capitalized, and any associated contingent consideration is recorded when the underlying contingencies have been resolved. Common stock and convertible preferred stock issued as consideration in an acquisition of assets are measured based on the acquisition date fair value of the equity interests. Intangible assets that are acquired in an asset acquisition for use in research and development activities that have an alternative future use are capitalized as IPR&D. Acquired IPR&D that has no alternative future use is expensed immediately. Cash payments for the acquisition of IPR&D are reported as cash outflows for investing activities in the statements of cash flows.

Convertible Preferred Stock

The Company has classified its convertible preferred stock outside of stockholders' deficit on the accompanying consolidated balance sheets in accordance with authoritative guidance for the classification and measurement of potentially redeemable securities whose redemption is based upon certain change in control events outside of the

Candid Therapeutics, Inc.**Notes to Consolidated Financial Statements - (Continued)**

Company's control, including liquidation, sale or transfer of the Company. For convertible preferred stock issued in exchange for cash proceeds, the Company records the convertible preferred stock at the issuance price, net of related issuance costs, discounts, and proceeds allocated to other instruments issued together with the convertible preferred stock. The Company subsequently measures convertible preferred stock that is currently redeemable or probable of becoming redeemable in the future by accreting changes in the redemption value using the interest method from the date of issuance to the earliest date the redemption feature can be exercised. As of December 31, 2025 and 2024, no classes of convertible preferred stock were redeemable or probable of becoming redeemable. See Note 8 for further information.

Term Debt

Non-convertible term debt instruments are initially recognized at cash proceeds received, net of issuance costs, and are subsequently measured at amortized cost using the effective interest method. Interest expense is recognized based on the effective interest rate of the respective instruments in the consolidated statements of operations and comprehensive loss over the term of the debt. See Note 7.

Convertible Debt

The Company has elected the fair value option for accounting for its convertible debt instruments pursuant to ASC 825, *Financial Instruments*. Under the fair value option, convertible debt is initially recognized at fair value, with issuance costs expensed as incurred. Subsequent changes in the fair value of the convertible debt are recognized in other comprehensive income (loss) or nonoperating income (loss) depending on whether the change is related to instrument specific credit risk or base market risk, respectively. See Note 7.

Research and Development Costs

All costs of research and development are expensed in the period incurred. Research and development costs primarily consist of salaries and related expenses for personnel, stock-based compensation, outside service providers, facilities costs, fees paid to consultants and other professional services, external research and development costs incurred under agreements with contract research, development and manufacturing organizations, supplies used in research and development and facilities, depreciation and other allocated expenses. Payments made prior to the receipt of goods or services to be used in research and development are capitalized until the related goods are delivered or services performed.

The Company has entered into various research and development contracts with research organizations and other companies. Payments for these activities are based on the terms of the individual agreements, which may differ from the pattern of costs incurred, and payments made in advance of performance are presented in the accompanying consolidated balance sheets as prepaid expenses. The Company records accruals for estimated costs incurred for ongoing research and development activities. When evaluating the adequacy of the accrued liabilities, the Company analyzes progress of the services, including the phase or completion of events, invoices received and contracted costs. Significant judgments and estimates may be made in determining the prepaid or accrued balances at the end of any reporting period. Actual results could differ from the Company's estimates. Historically, there have been no material differences between the Company's estimates and the amounts actually incurred.

Patent Costs

Costs related to filing and pursuing patent applications are recorded as general and administrative expenses and expensed as incurred since recoverability of such expenditures is uncertain.

Stock-Based Compensation

The Company measures its stock-based awards based on the estimated grant date fair value of the awards. For stock-based awards with only service conditions, compensation expense is recognized over the requisite service period using the straight-line method. For stock-based awards that include performance conditions, compensation expense is not recognized until the performance condition is probable to occur. The Company estimates the fair value of restricted common stock based on the fair value of the underlying common stock and the fair value of stock options using the Black-Scholes option pricing model. The Company accounts for forfeitures of stock-based awards as they occur.

Candid Therapeutics, Inc.**Notes to Consolidated Financial Statements - (Continued)****Income Taxes**

The Company accounts for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the consolidated financial statements. Under this method, deferred tax assets and liabilities are determined on the basis of the differences between the consolidated financial statements and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date.

The Company recognizes net deferred tax assets to the extent that the Company believes these assets are more likely than not to be realized. In making such a determination, management considers all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax-planning strategies, and results of recent operations. If management determines that the Company would be able to realize its deferred tax assets in the future in excess of their net recorded amount, management would make an adjustment to the deferred tax asset valuation allowance, which would reduce the provision for income taxes.

The Company records uncertain tax positions on the basis of a two-step process whereby (i) management determines whether it is more likely than not that the tax positions will be sustained on the basis of the technical merits of the position and (ii) for those tax positions that meet the more-likely-than-not recognition threshold, management recognizes the largest amount of tax benefit that is more than 50 percent likely to be realized upon ultimate settlement with the related tax authority.

Comprehensive Loss

Comprehensive loss is defined as a change in equity during a period from transactions and other events and circumstances from non-owner sources. The only component of other comprehensive loss is unrealized losses on investment securities. Comprehensive losses have been reflected in the consolidated statements of operations and comprehensive loss and as a separate component in the consolidated statements of convertible preferred stock and stockholders' deficit.

Segment Reporting

Operating segments are identified as components of an enterprise about which separate discrete financial information is available for evaluation by the chief operating decision-maker ("CODM") in making decisions regarding resource allocation and assessing performance. The Company operates and manages its business as a single operating segment and reportable segment, which is engaged in the research and development of novel therapies for autoimmune diseases. The Company's CODM is its President and Chief Executive Officer and the CODM reviews financial information on a consolidated basis for purposes of allocating resources and evaluating financial performance. See Note 10 for additional information.

Net Loss Per Share

Basic net loss per share is computed by dividing the net loss by the weighted-average number of the Company's common shares outstanding for the period, without consideration for potentially dilutive securities. The Company has excluded 56,011,955 and 70,624,729 weighted-average unvested shares from the weighted-average number of common shares outstanding for the year ended December 31, 2025 and the period from May 1, 2024 (inception) to December 31, 2024, respectively. Diluted net loss per share is computed by dividing the net loss attributable to common stockholders by the weighted-average number of common shares and dilutive common stock equivalents outstanding for the period determined using the treasury-stock and if-converted methods. Dilutive common stock equivalents are comprised of convertible preferred stock, unvested restricted common stock subject to repurchase and options outstanding under the Company's equity incentive plan. For all periods presented, there is no difference in the number of shares used to calculate basic and diluted shares outstanding as inclusion of the potentially dilutive securities would be anti-dilutive.

Candid Therapeutics, Inc.
Notes to Consolidated Financial Statements - (Continued)

Potentially dilutive securities not included in the calculation of diluted net loss per share, because to do so would be anti-dilutive, were as follows (in common stock equivalent shares):

	December 31,	
	2025	2024
Convertible preferred stock outstanding	367,005,749	367,005,749
Common stock options	33,791,041	26,033,750
Unvested restricted common stock	42,097,225	74,975,609
Total	<u>442,894,015</u>	<u>468,015,108</u>

Recent Accounting Pronouncements

In December 2023, the FASB issued ASU No. 2023-09, *Income Taxes (Topics 740): Improvements to Income Tax Disclosures* ("ASU No. 2023-09"), which requires disaggregated information about a reporting entity's effective tax rate reconciliation as well as information on income taxes paid. The Company early adopted this standard prospectively for the period ended December 31, 2025. The adoption impacted the Company's income tax disclosures only and did not otherwise impact the Company's consolidated financial statements.

In November 2024, the FASB issued ASU No. 2024-03, *Income Statement - Reporting Comprehensive Income Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses* ("ASU No. 2024-03") which requires disaggregated disclosure of income statement expenses for public business entities. The ASU does not change the expense captions an entity presents on the face of the income statement; rather, it requires disaggregation of certain expense captions into specified categories in disclosures within the footnotes to the financial statements. Entities are required to apply the guidance prospectively and may apply it retrospectively. ASU No. 2024-03 is effective for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating the impact of ASU No. 2024-03 on its consolidated financial statements and related disclosures.

In May 2025, the FASB issued ASU No. 2025-03, *Business Combinations (Topic 805) and Consolidation (Topic 810): Determining the Accounting Acquirer in the Acquisition of a Variable Interest Entity* ("ASU No. 2025-03"), which revises current guidance for determining the accounting acquirer for a transaction effected primarily by exchanging equity interests in which the legal acquiree is a variable interest entity that meets the definition of a business. The amendments require that an entity consider the same factors that are currently required for determining which entity is the accounting acquirer in other acquisition transactions. The Company is currently evaluating the impact of ASU No. 2025-03 and intends to adopt this ASU on a prospective basis as of January 1, 2026.

The Company does not believe that any other recently issued, but not yet effective accounting pronouncements, if adopted, would have a material effect on its consolidated financial statements.

Candid Therapeutics, Inc.
Notes to Consolidated Financial Statements - (Continued)

3. Balance Sheet Details

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

	December 31,	
	2025	2024
Office and computer equipment	\$ 161	\$ 141
Leasehold improvements	78	78
Property and equipment	239	219
Less accumulated depreciation	(72)	(19)
Total	\$ 167	\$ 200

The Company recognized depreciation expense of \$0.1 million and \$19,000, respectively, for the year ended December 31, 2025 and the period from May 1, 2024 (inception) to December 31, 2024.

Other long-term assets consisted of the following (in thousands):

	December 31,	
	2025	2024
Prepaid research and development expenses	\$ 1,790	\$ 1,581
Deferred IPO costs	—	1,509
Deposits	106	52
Other	56	—
Total	\$ 1,952	\$ 3,142

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

	December 31,	
	2025	2024
Accrued research and development	\$ 9,011	\$ 5,071
License fees	—	2,500
Accrued compensation	4,120	1,552
Other	1,088	1,534
Total	\$ 14,219	\$ 10,657

4. Commitments and Contingencies

Operating Leases

In June 2024, the Company entered into a noncancelable operating lease for office space for its headquarters in San Diego, California. The lease commenced in July 2024 and expires in September 2028, with a Company option to extend the lease for an additional two years. The option to extend was not considered in the determination of the right-of-use asset or lease liability as the Company did not consider it reasonably certain that it would exercise such option. The lease requires a security deposit and has certain rent escalations and additional charges for common area maintenance and other costs.

In March 2025, the Company entered into a noncancelable operating lease for office space in Shanghai, China. The lease commenced in March 2025 and expires in April 2028. The lease requires a security deposit and has certain rent escalations and additional charges for common area maintenance and other costs.

Candid Therapeutics, Inc.
Notes to Consolidated Financial Statements - (Continued)

Information related to the Company's operating leases is as follows (in thousands):

	Year Ended December 31, 2025	Period from May 1, 2024 (inception) to December 31, 2024
Operating lease expense	\$ 684	\$ 275
Variable lease expenses	\$ 43	\$ —
Cash paid for amounts included in the measurement of the lease liabilities	\$ 674	\$ 163

Future minimum noncancelable operating lease payments and information related to the lease liabilities as of December 31, 2025 were as follows (in thousands):

Years ending December 31:	
2026	\$ 749
2027	766
2028	517
Total minimum lease payments	2,032
Less: amount representing interest	(210)
Total operating lease liabilities	1,822
Less: current portion of operating lease liabilities	(625)
Operating lease liabilities, net of current portion	\$ 1,197

As of December 31, 2025 and 2024, the Company's weighted-average discount rate was 8.0%. As of December 31, 2025 and 2024, the Company's weighted-average remaining term was 2.6 years and 3.8 years, respectively.

Contingencies

In the event the Company becomes subject to claims or suits arising in the ordinary course of business, the Company would accrue a liability for such matters when it is probable that future expenditures will be made and such expenditures can be reasonably estimated.

5. Merger with Related Parties

On August 19, 2024, the Company, TRC and Vignette (TRC and Vignette together the "Acquirees") executed an Agreement and Plan of Merger and Reorganization (the "2024 Merger Agreement"), pursuant to which the Company acquired each of the Acquirees (the "Acquisitions"). The total consideration transferred in the Acquisitions consisted entirely of shares of the Company as follows:

- TRC: 89,999,985 shares of Series A-2 convertible preferred stock and 54,999,985 shares of common stock, with an aggregate fair value of \$140.5 million.
- Vignette: 105,000,000 shares of Series A-1 convertible preferred stock and 15,000,000 shares of common stock, with an aggregate fair value of \$130.0 million.

The Company accounted for the Acquisitions as asset acquisitions. The Company incurred transaction costs of \$0.7 million related to the Acquisitions, \$0.3 million of which was settled in shares of the Company's common stock.

Candid Therapeutics, Inc.
Notes to Consolidated Financial Statements - (Continued)

The consideration paid and allocation to the net assets acquired were as follows (in thousands):

	TRC	Vignette
Consideration paid:		
Common stock	\$ 37,950	\$ 10,350
Series A-1 convertible preferred stock	—	119,610
Series A-2 convertible preferred stock	102,523	—
Transaction costs	182	527
Total consideration paid	<u>\$ 140,655</u>	<u>\$ 130,487</u>
Net assets acquired:		
Cash	\$ 73,397	\$ 43,485
Net working capital (excluding cash)	17	741
IPR&D	67,241	86,261
Total net assets acquired	<u>\$ 140,655</u>	<u>\$ 130,487</u>

The consideration allocated to IPR&D was expensed in the Company's consolidated statement of operations and comprehensive loss for the period from May 1, 2024 (inception) to December 31, 2024 as the acquired IPR&D has no alternative future use.

As part of the Acquisitions, the Company became party to certain license and collaboration agreements previously entered into by the Acquirees that may require future payments to the intellectual property owners upon the achievement of certain development, regulatory, and commercial milestone events. Any potential future milestone payments will be accrued when the related contingency is resolved, and the milestone consideration becomes payable. Refer to Note 6 for further disclosure and information regarding the license and collaboration agreements.

6. License and Collaboration Agreements

License and Collaboration Agreement with Shanghai EpimAb Biotherapeutics Co., Ltd.

In August 2024, in connection with the 2024 Merger, the Company became party to a license and collaboration agreement (the "EpimAb License Agreement") with Shanghai EpimAb Biotherapeutics Co., Ltd. ("EpimAb").

Under the EpimAb License Agreement, the Company has a royalty-bearing, sublicensable license, under certain know-how and patent rights controlled by EpimAb relating to BCMA/CD3 bi-specific antibodies, to research, develop, manufacture, use, sell, offer for sale, import and otherwise commercialize cizutamig and certain derivatives of cizutamig that are also BCMAxCD3 bispecific antibodies, and products containing cizutamig or such derivatives ("Cizutamig Licensed Products") everywhere in the world except for Greater China (which includes Hong Kong, Macau and Taiwan) (the "Cizutamig Licensed Territory") for the diagnosis, treatment or prevention of all human and non-human diseases (the "Cizutamig Field"). The Company's license is exclusive with respect to certain licensed patents and claims of certain other licensed patents that specifically cover any BCMAxCD3 bispecific antibody as a whole or that cover certain binding sequences and licensed know-how that is related to such licensed patents or licensed patent claims; it is non-exclusive with respect to all other licensed patent claims and licensed know-how. The Company also has a non-exclusive license from EpimAb (a) to manufacture cizutamig and Cizutamig Licensed Products in Greater China (including Hong Kong, Macau and Taiwan) (the "EpimAb Territory") solely for use in the Cizutamig Licensed Territory and (b) to research and develop Cizutamig Licensed Products in the Cizutamig Field in the EpimAb Territory solely for the purpose of obtaining regulatory approval of Cizutamig Licensed Products in the Cizutamig Licensed Territory.

The Company is responsible, at its own cost, for the development, manufacture and commercialization of Cizutamig Licensed Products in the Cizutamig Field in the Cizutamig Licensed Territory. The Company is obligated to use commercially reasonable efforts to develop at least one Cizutamig Licensed Product in the Cizutamig Field in the

Candid Therapeutics, Inc.**Notes to Consolidated Financial Statements - (Continued)**

Cizutamig Licensed Territory; provided, however, that this obligation will expire upon achievement of a certain development milestone, or upon the Company's election to make a certain milestone payment early.

The Company is obligated to pay EpimAb up to \$95.0 million in development and regulatory milestone payments, up to \$480.0 million in commercial milestone payments, and tiered single-digit royalties on net sales of Cizutamig Licensed Products, none of which were due and payable as of December 31, 2025. The royalty payments are subject to reduction under certain customary circumstances. On a Cizutamig Licensed Product-by-Cizutamig Licensed Product and country-by-country basis, the Company's obligation to pay EpimAb royalties commences on the first commercial sale of such Cizutamig Licensed Product in the applicable country until the latest to occur of (a) the last-to-expire valid claim within the licensed patents covering such Cizutamig Licensed Product in the applicable country, (b) the expiration of the last-to-expire regulatory exclusivity for such Cizutamig Licensed Product in the applicable country and (c) twelve (12) years after the first commercial sale of such Cizutamig Licensed Product in the applicable country.

The EpimAb License Agreement will remain in effect on a Cizutamig Licensed Product-by-Cizutamig Licensed Product and country-by-country basis until expiration of all royalty payment obligations, unless it is earlier terminated. Following expiration of the EpimAb License Agreement, the licenses granted to the Company become non-exclusive, perpetual, irrevocable and fully paid-up. The Company may terminate the EpimAb License Agreement for convenience upon advance written notice to EpimAb. Either party may terminate the EpimAb License Agreement for the other party's uncured material breach; provided, however, that this termination right will not be available to either party after achievement of a certain development milestone, or upon the Company's election to make a certain milestone payment early. Either party may terminate the EpimAb License Agreement in connection with the insolvency of the other party. EpimAb may terminate the EpimAb License Agreement if the Company challenges a licensed patent, subject to a specified notice and cure period. Upon termination of the EpimAb License Agreement, the Company is subject to certain post-termination obligations to enable EpimAb to be able to exploit Cizutamig Licensed Products in the Cizutamig Field on a worldwide basis.

License Agreement with Genor Biopharma Co. Ltd.

In August 2024, in connection with the 2024 Merger, and as amended in March 2025, the Company became party to a license agreement (the "Genor License Agreement") with Genor Biopharma Co Ltd. ("Genor").

Under the Genor License Agreement, the Company has an exclusive, royalty-bearing, sublicensable license under certain know-how and patent rights controlled by Genor (including certain intellectual property in-licensed by Genor) relating to bispecific antibodies and heteromultimeric proteins ("Licensed IP") to develop, use, manufacture, commercialize and otherwise exploit CND261 (formerly known as GB261), certain derivatives of CND261 that are also CD20xCD3 bispecific antibodies, and products containing CND261 or such derivatives ("CND261 Licensed Products") everywhere in the world except for Mainland China, Hong Kong, Macau and Taiwan (the "CND261 Licensed Territory") for the diagnosis, treatment or prevention of disease in humans and animals (the "CND261 Field"). The Company also received a non-exclusive, sublicensable license under the Licensed IP in Mainland China, Hong Kong, Macau and Taiwan (the "Genor Territory") to manufacture CND261 Licensed Products in the Genor Territory and to conduct non-clinical and certain clinical development of CND261 Licensed Products in the Genor Territory in the CND261 Field, solely for the purposes of supporting exploitation of CND261 Licensed Products in the CND261 Field in the CND261 Licensed Territory. In addition, the Company has a right of first negotiation if Genor decides to commence negotiations with one or more third parties to grant a license to develop, use, manufacture, commercialize or otherwise exploit CND261 Licensed Products in the CND261 Field in the Genor Territory.

The Company is responsible, at its own cost, for the development, manufacture and commercialization of CND261 Licensed Products in the CND261 Field in the CND261 Licensed Territory. The Company is obligated to use commercially reasonable efforts to develop and obtain regulatory approval for at least one CND261 Licensed Product in the CND261 Field in the United States and in at least one of Canada, the United Kingdom, France, Germany, Spain or Italy ("Major Market Countries). The Company is also obligated to use commercially reasonable efforts to commercialize at least one CND261 Licensed Product in the United States or any Major Market Country, in which

Candid Therapeutics, Inc.
Notes to Consolidated Financial Statements - (Continued)

regulatory approval has been obtained for such product. The Company is also obligated to use commercially reasonable efforts to conduct investigator-initiated trial(s) and Phase I clinical trial(s) of a CND261 Licensed Product in the Genor Territory for the indication of autoimmune and inflammatory diseases.

During 2025 and 2024, the Company paid Genor \$4.5 million and \$2.0 million, respectively, upon achievement of certain milestones specified in the Genor License Agreement, and expensed such amounts as IPR&D as there is no alternative future use for the Licensed IP.

As of December 31, 2025, the Company is also obligated to pay Genor up to \$138.5 million in development and regulatory milestone payments, up to \$300.0 million in commercial milestone payments, tiered mid single-digit to low double-digit percentage royalties on net sales of CND261 Licensed Products, and mid single-digit to low double-digit percentage of income that the Company receives from its sublicensees if the Company sublicense its rights to CND261 Licensed Products, none of which were due and payable as of December 31, 2025. The royalty payments are subject to reduction under certain customary circumstances. On a CND261 Licensed Product-by-CND261 Licensed Product and country-by-country basis, the Company's obligation to pay Genor royalties commences on the first commercial sale of such CND261 Licensed Product in the applicable country until the latest to occur of (a) the last-to-expire valid claim within the patents licensed to the Company by Genor covering such CND261 Licensed Product in the applicable country, (b) the expiration of the last-to-expire regulatory exclusivity for such CND261 Licensed Product in the applicable country and (c) ten (10) years after the first commercial sale of such CND261 Licensed Product in the applicable country.

The Genor License Agreement will remain in effect on a CND261 Licensed Product-by-CND261 Licensed Product and country-by-country basis until expiration of all royalty payment obligations, unless it is earlier terminated. Following expiration of the Genor License Agreement, the licenses granted to the Company become non-exclusive, perpetual, irrevocable and fully paid-up. Either party may terminate the Genor License Agreement for the other party's uncured material breach or insolvency, subject to certain notice and cure periods. Genor may terminate the Genor License Agreement if the Company challenges any of the patents licensed to it, subject to a specified notice and cure period. The Company may terminate the Genor License Agreement in its entirety, or on a country-by-country or CND261 Licensed Product-by-CND261 Licensed Product basis for convenience upon advance written notice to Genor. Upon termination of the Genor License Agreement, the Company is subject to certain post-termination obligations to enable Genor to be able to exploit the CND261 Licensed Products on a worldwide basis, or if the Genor License Agreement is not terminated in its entirety, in the applicable terminated countries.

License Agreement with WuXi Biologics (Shanghai) Co., Ltd.

In January 2025, the Company entered into a license agreement (the "WuXi Biologics License Agreement") with WuXi Biologics (Shanghai) Co., Ltd. ("WuXi Biologics").

Under the WuXi Biologics License Agreement, the Company received an exclusive, royalty-bearing license, with the right to grant sublicenses, under certain know-how and patent rights controlled by WuXi Biologics, to develop, have developed, manufacture, have manufactured, sell, offer for sale, have sold, import and have imported, export and have exported, and otherwise commercialize CND319, certain other CD19xCD20xCD3 trispecific antibodies, and products containing CND319 or such CD19xCD20xCD3 trispecific antibodies ("CND319 Licensed Products") for all human and non-human use, including for all research, diagnostic and therapeutic purposes (the "CND319 Field"), throughout the world.

The Company is responsible, at its cost, for the global development, manufacture and commercialization of CND319 Licensed Products in the CND319 Field. Until completion of the first Phase I clinical trial of a CND319 Licensed Product, the Company is obligated to use commercially reasonable efforts to develop a CND319 Licensed Product in the CND319 Field.

The Company paid WuXi Biologics total upfront cash consideration of \$25.0 million, incurred \$1.5 million of non-income taxes, and expensed such amounts as IPR&D as there is no alternative future use for the CND319 Licensed Products. As of December 31, 2025, the Company is also obligated to pay WuXi Biologics up to

Candid Therapeutics, Inc.**Notes to Consolidated Financial Statements - (Continued)**

\$150.0 million in development and regulatory milestone payments, up to \$750.0 million in commercial milestone payments, and tiered low to mid single-digit percentage royalties on annual net sales of each CND319 Licensed Product. The royalty payments are subject to reduction under certain customary circumstances. On a CND319 Licensed Product-by-CND319 Licensed Product and country-by-country basis, the Company's obligation to pay WuXi Biologics royalties commences on the first commercial sale of such CND319 Licensed Product in the applicable country and continues until the last to occur of (a) twelve (12) years after the first commercial sale of such CND319 Licensed Product in the applicable country, (b) the last-to-expire valid claim within certain patents licensed to the Company by WuXi Biologics covering the composition of matter of such CND319 Licensed Product in a trispecific format in the applicable country, and (c) expiration of regulatory exclusivity for such CND319 Licensed Product in the applicable country. In addition, if the Company sublicenses its rights to CND319 Products, it is obligated to pay to WuXi Biologics a percentage of certain income that it receives from its sublicensees; such percentage will be between a high single-digit to low double-digit, depending upon when the sublicense is granted.

The WuXi Biologics License Agreement will remain in effect on a CND319 Licensed Product-by-CND319 Licensed Product and country-by-country basis until expiration of all royalty payment obligations for such CND319 Licensed Product in the applicable country, unless it is earlier terminated. Following expiration of the WuXi Biologics License Agreement, the license granted to the Company becomes fully paid-up, perpetual, and irrevocable. The Company may terminate the WuXi Biologics License Agreement in its entirety, or on a country-by-country basis, for convenience upon advance written notice to WuXi Biologics. Either party may terminate the WuXi Biologics License Agreement for the other party's uncured material breach or insolvency, subject to certain notice and cure periods. WuXi Biologics may terminate the WuXi Biologics License Agreement if the Company or its sublicensees challenge any of the patents licensed to it, subject to a specified notice and cure period.

Other Agreements

In the fourth quarter of 2024, the Company entered into four early-stage research licenses that were determined to be asset acquisitions and recognized \$0.3 million and \$6.5 million during 2025 and 2024, respectively, of IPR&D expense related to these agreements. Upon the Company's nomination of an exclusive development candidate under each agreement, the Company will be obligated to pay customary development, regulatory, commercial and/or royalty payments upon achievement to the respective licensor.

7. Debt**Convertible Promissory Note with a Related Party**

On June 1, 2024, the Company issued the Song Note for proceeds of \$0.2 million, with an interest rate of 5.0% per annum. The Song Note had an original maturity date of June 1, 2025. Upon a qualified financing event (as defined in the promissory note), the Song Note would automatically convert into shares issued in that financing event at a 50% discount to the issuance price of the shares. Outstanding principal and interest on the Song Note were converted into 339,105 shares of the Company's Series B convertible preferred stock on August 19, 2024. See Note 2 for further information regarding the fair value at settlement of the Song Note.

Promissory Note with a Related Party

On June 21, 2024, the Company issued the Foresite Note, which was a \$3.0 million promissory note, with an interest rate of 5.12% per annum. The unpaid principal and any accrued and unpaid interest were originally due and payable in full on the earlier of (i) the fifth business day following the closing of an equity financing with total proceeds to the Company of not less than \$100.0 million, or (ii) December 31, 2024. For the period from May 1, 2024 (inception) to December 31, 2024, the Company recognized \$23,000 of interest expense related to the promissory note. The principal and accrued and unpaid interest of the note was fully repaid in cash in August 2024 at which time Foresite was a related party.

Candid Therapeutics, Inc.
Notes to Consolidated Financial Statements - (Continued)

8. Convertible Preferred Stock and Stockholders' Deficit

Convertible Preferred Stock

As of December 31, 2025 and 2024, the Company's Series A-1 convertible preferred stock ("Series A-1"), Series A-2 convertible preferred stock ("Series A-2" and together with the Series A-1, "Series A") and Series B convertible preferred stock ("Series B" and together with Series A-1 and Series A-2, "Series Preferred") consisted of the following (in thousands, except share and per share amounts):

	Shares Authorized	Shares Issued and Outstanding	Common Stock Issuable on Conversion	Original Issue Price Per Share	Liquidation Preference	Carrying Value
Series A-1	105,000,000	105,000,000	105,000,000	\$ 1.00	\$ 105,000	\$ 119,610
Series A-2	89,999,985	89,999,985	89,999,985	\$ 1.00	90,000	102,523
Series B	172,005,764	172,005,764	172,005,764	\$ 1.20	206,407	205,602
Total	367,005,749	367,005,749	367,005,749		\$ 401,407	\$ 427,735

In August 2024, pursuant to a Series B preferred stock purchase agreement, the Company issued in two closings an aggregate of 172,005,764 shares of its Series B, of which (i) 171,666,659 shares of Series B were issued at a purchase price of \$1.20 per share for gross proceeds of approximately \$206.0 million, and (ii) 339,105 shares of Series B were issued upon the settlement of the Song Note with a fair value of \$0.4 million. The Company incurred \$0.8 million of issuance costs in connection with the Series B preferred stock financing.

Description of Securities

Dividends

The holders of then outstanding shares of Series Preferred, in preference to the holders of common stock, are entitled to receive, only when, as and if declared by the board of directors, out of funds that are legally available therefor, non-cumulative dividends of 8% of the applicable original issue price per share.

Liquidation Preferences

Upon any voluntary or involuntary liquidation, dissolution or winding up of the Company, or upon the occurrence of a deemed liquidation event, the holders of then outstanding shares of Series Preferred are entitled to receive a liquidation preference at an amount per share equal to the greater of (i) the applicable original issue price, plus any dividends declared but unpaid, if any and (ii) such amount per share as would have been payable had all shares of Series Preferred converted to common stock pursuant to the conversion terms of the Series Preferred. If upon any such liquidation, dissolution or winding up of the Company or deemed liquidation event, the assets of the Company available for distribution to its stockholders shall be insufficient to pay the holders of shares of Series Preferred the full amount to which they are entitled, the holders of shares of Series Preferred shall share ratably in any distribution of the assets available for distribution in proportion to the respective amounts which would otherwise be payable. Liquidation payments to the holders of Series Preferred have priority and are made in preference to any payments to the holders of common stock. After full payment of the liquidation preference to the holders of the Series Preferred, the remaining assets, if any, will be distributed ratably to the holders of common stock.

Conversion

Each share of Series Preferred is convertible into one share of common stock, at the option of the holder, subject to certain anti-dilution adjustments. Each share of Series Preferred is automatically converted into one share of common stock, subject to certain anti-dilution adjustments, upon the earliest to occur of, (a) immediately prior to the closing of the sale of shares of common stock to the public in a firm-commitment underwritten public offering pursuant to an effective registration statement under the Securities Act of 1933, as amended, resulting in at least \$50.0 million of gross proceeds to the Company and in connection with such offering the common stock is listed for trading on the Nasdaq Stock Market, the New York Stock Exchange or another exchange or marketplace approved by the board of directors, and (b) the vote of the holders of a majority of the outstanding shares of Series Preferred,

Candid Therapeutics, Inc.**Notes to Consolidated Financial Statements - (Continued)**

voting together as a single class on an as converted to common stock basis (which majority shall include (i) the holders of a majority of the shares of outstanding Series B, exclusively and as a separate class on an as converted to common stock basis and (ii) the holders of a majority of the outstanding shares of Series A, together as a single class on an as converted to common stock basis) (the "Requisite Holders").

Voting Rights

Each holder of outstanding shares of Series Preferred is entitled to cast one vote for each share of common stock into which their shares of Series Preferred would convert and to vote as one class with the common stockholders on all matters presented to the stockholders of the Company except as provided in the Company's certificate of incorporation or by law. Certain matters require the vote of the Requisite Holders, which matters include material changes to the Company's corporate structure, capitalization and the incurrence of certain corporate obligations, among other matters. In addition, holders of each of Series A-1, Series A-2, Series B and common stock are entitled to separately elect certain members of the Company's board of directors.

Common Stock Issuances

In May and June 2024, the Company issued an aggregate of 73,227,900 shares of its common stock to certain founders and consultants at a price of \$0.0000018 per share, the then-current fair value of the Company's common stock. Of these shares, 25,687,620 were issued under the 2024 Plan (defined and described below). At issuance, all such shares were subject to a repurchase option by the Company, under which 25% of the shares will be released from the repurchase option on the first anniversary of the respective issuance date, and 1/48th of the shares will vest and be released from the repurchase option on a monthly basis thereafter, subject to continued services to the Company as of the date of such release. As of December 31, 2025 and 2024, 41,065,557 shares and 73,227,900 shares, respectively, were unvested and subject to repurchase by the Company at the lower of the issuance price or the then-current fair market value per share. As of December 31, 2025 and 2024, the repurchase liability related to the unvested shares was immaterial. For accounting purposes, unvested shares of common stock are not considered outstanding until they vest.

In February 2025, in connection with certain separation agreements, the Company repurchased 5,031,798 founder shares at their original issuance price. The vesting of 979,612 founder shares was modified such that 706,408 shares were immediately vested and 273,204 shares became subject to vesting over a 12 month period. The incremental fair value of vested shares at the modification date of \$0.6 million was recognized at the modification date and the remaining incremental fair value of \$0.2 million will be recognized over the remaining requisite service period of the awards (generally the vesting period) on a straight-line basis.

On August 19, 2024, the Company issued an aggregate of 69,999,985 shares of its common stock to certain stockholders of the Acquirees in the 2024 Merger (See Note 5).

On August 19, 2024, the Company issued 1,000,000 shares of common stock, at a fair value of \$0.6 million, to reimburse an investor for expenses incurred related to their investments in the Company and the 2024 Merger. The fair value of the common shares was derived from the same model that was used to derive the fair value of the 2024 Merger consideration (See Note 5) and \$0.3 million of the fair value was allocated to the 2024 Merger and \$0.3 million to the Company's Series B preferred stock financing.

Equity Incentive Plan

In May 2024, the Company adopted the Candid Therapeutics, Inc. Equity Incentive Plan (as amended, the "2024 Plan"), which provides for the grant of incentive stock options, nonstatutory stock options, stock appreciation rights, restricted stock awards, restricted stock unit awards, and other awards to its employees, members of its board of directors and consultants. As of December 31, 2025 and 2024, there were 60,711,153 shares authorized for issuance under the 2024 Plan, of which 3,988,040 shares and 7,151,033 shares, respectively, remained available for future issuance. Recipients of incentive stock options are eligible to purchase shares of the Company's common stock at an exercise price equal to no less than the estimated fair market value of such stock on the date of grant. The maximum term of options granted under the 2024 Plan is 10 years and, in general, the awards vest at various

Candid Therapeutics, Inc.
Notes to Consolidated Financial Statements - (Continued)

periods up to four years from the vesting commencement date, and may include performance conditions. The 2024 Plan allows for the early exercise of stock options, which may be subject to repurchase by the Company at the lower of (i) the fair market value of the common stock at the repurchase date or (ii) the original exercise price.

A summary of the Company's unvested shares and unvested stock liability, including unvested common stock issued to founders, is as follows (in thousands, except share data):

	Number of Unvested Shares	Unvested Stock Liability
Balance at May 1, 2024 (inception)	—	\$ —
Unvested common stock issued to founders	73,227,900	—
Early exercised common stock options	1,838,750	368
Vested shares	(91,041)	(18)
Balance at December 31, 2024	74,975,609	350
Early exercised common stock options	210,417	42
Repurchase of common stock issued to founders	(5,031,798)	—
Vested shares	(28,057,003)	(186)
Balance at December 31, 2025	42,097,225	\$ 206

A summary of the Company's stock option activity is as follows (in thousands, except share and per share data):

	Number of Outstanding Options	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value
Balance at December 31, 2024	26,033,750	\$ 0.58	9.84	\$ 5,090
Granted	26,647,500	\$ 0.39		
Exercised	(437,500)	\$ 0.23		
Cancelled	(18,452,709)	\$ 0.67		
Balance at December 31, 2025 ⁽¹⁾	33,791,041	\$ 0.33	9.24	\$ 1,436
Vested and expected to vest at December 31, 2025	15,963,541	\$ 0.30	9.14	\$ 1,080
Exercisable at December 31, 2025	32,198,541	\$ 0.33	9.23	\$ 1,404

⁽¹⁾ On May 5, 2025, the Company modified certain outstanding stock option awards by reducing the exercise price from \$0.70 per share to \$0.35 per share. The modification affected 5,595,000 stock options and resulted in incremental compensation cost of approximately \$0.3 million, representing the excess fair value of the modified awards over the fair value of the original awards immediately before the modification. As none of the modified awards were vested as of the modification date, the incremental compensation cost will be recognized as stock-based compensation over the remaining requisite service period of the awards. The impact of the modification is reflected in the weighted-average exercise price of the stock options outstanding as of December 31, 2025.

Candid Therapeutics, Inc.
Notes to Consolidated Financial Statements - (Continued)

Stock-Based Compensation Expense

The assumptions used in the Black-Scholes option pricing model to determine the fair value of stock option grants were as follows:

	Year Ended December 31, 2025	Period from May 1, 2024 (inception) to December 31, 2024
Risk-free interest rate	4.1%	4.1%
Expected volatility	75.3%	74.5%
Expected term (in years)	6.0	6.0
Expected dividend yield	0.0%	0.0%

Risk-free interest rate. The risk-free interest rate is based on the U.S. Treasury yield in effect at the time of grant for zero coupon U.S. Treasury notes with maturities similar to the expected term of the awards.

Expected volatility. Since the Company is not yet a public company and does not have a trading history for its common stock, the expected volatility assumption is based on volatilities of a peer group of similar companies whose share prices are publicly available. The peer group was developed based on companies in the biotechnology industry. The Company will continue to apply this process until a sufficient amount of historical information regarding the volatility of its own stock price becomes available.

Expected term. The expected term represents the period of time that options are expected to be outstanding. Because the Company does not have historical exercise behavior, it determines the expected life assumption using the simplified method, which is an average of the contractual term of the option and its vesting period.

Expected dividend yield. The Company bases the expected dividend yield assumption on the fact that it has never paid cash dividends and has no present intention to pay cash dividends and, therefore, used an expected dividend yield of zero.

Stock-based compensation expense recognized for all equity awards has been reported in the accompanying consolidated statements of operations and comprehensive loss as follows (in thousands):

	Year Ended December 31, 2025	Period from May 1, 2024 (inception) to December 31, 2024
Research and development expense	\$ 2,264	\$ 202
General and administrative expense	802	201
Total	\$ 3,066	\$ 403

The total fair value of shares vested during the year ended December 31, 2025 and the period from May 1, 2024 (inception) to December 31, 2024 was \$2.2 million and \$0.1 million, respectively. The weighted-average grant date fair value per share of option grants for the year ended December 31, 2025 and the period from May 1, 2024 (inception) to December 31, 2024 was \$0.28 and \$0.56, respectively. As of December 31, 2025 and 2024, the outstanding options included 17,827,500 and 17,325,000 performance-based options, respectively, for which the achievement of the performance-based vesting conditions were determined to not be probable. In May 2025, the Company cancelled options to purchase 16,675,000 shares of the Company's common stock with performance-based vesting and reissued 16,720,000 options in substitution therefor. The modification was made to: (i) reduce the exercise price from \$0.70 per share to \$0.35 per share, which represented the fair market value of the Company's common stock as determined by its board of directors on the modification date, and (ii) modify the performance-based vesting conditions. The performance-based options were not considered probable of vesting as of

Candid Therapeutics, Inc.
Notes to Consolidated Financial Statements - (Continued)

the modification date and, as such, the original grant date fair value was replaced with the modification date fair value. The aggregate unrecognized stock-based compensation expense for outstanding performance-based options at December 31, 2025 and 2024 was \$4.3 million and \$9.5 million, respectively. As of December 31, 2025 and 2024, total unrecognized stock-based compensation expense (excluding performance-based options) was \$6.1 million and \$5.7 million, respectively, which is expected to be recognized over a remaining weighted-average period of approximately 2.6 years and 3.4 years, respectively. The total intrinsic value of stock options exercised during the year ended December 31, 2025 and the period from May 1, 2024 (inception) to December 31, 2024 was \$0.1 million and \$0.9 million, respectively.

Common Stock Reserved for Future Issuance

Common stock reserved for future issuance consists of the following:

	December 31,	
	2025	2024
Conversion of convertible preferred stock	367,005,749	367,005,749
Common stock options outstanding	33,791,041	26,033,750
Shares available for issuance under the 2024 Plan	3,988,040	7,151,033
Total	<u>404,784,830</u>	<u>400,190,532</u>

9. Income Taxes

The components of the Company's pretax net loss are as follows (in thousands):

	Year Ended December 31, 2025	Period from May 1, 2024 (inception) to December 31, 2024
United States	\$ (92,335)	\$ (174,306)
Foreign	100	—
Pretax net loss	<u>\$ (92,235)</u>	<u>\$ (174,306)</u>

A reconciliation of the income tax expense computed at the U.S. federal statutory income tax rate to the Company's income tax expense, applying ASU No. 2023-09 prospectively, is as follows (in thousands, except percentages):

	Year Ended December 31, 2025	
	Amount	Rate
Income tax expense (benefit) at the U.S. federal statutory income tax rate	\$(19,369)	21.0%
State and local taxes, net of federal income tax effect ⁽¹⁾	(3,793)	4.1
Foreign tax effects		
Other foreign	(11)	0.0
Tax credits		
Research and development tax credit	(679)	0.7
Changes in valuation allowance	19,380	(21.0)
Nontaxable or nondeductible items		
Other	583	(0.6)
Changes in unrecognized tax benefits	3,889	(4.2)
Provision for income taxes	<u>\$ —</u>	<u>0.0%</u>

⁽¹⁾ The state that contributes to the majority (greater than 50%) of the tax effect in this category relates to California for the year ended December 31, 2025.

Candid Therapeutics, Inc.
Notes to Consolidated Financial Statements - (Continued)

A reconciliation of the income tax expense computed at the U.S. federal statutory income tax rate to the Company's income tax expense, prior to the adoption of ASU No. 2023-09, is as follows (in thousands):

	Period from May 1, 2024 (inception) to December 31, 2024
Tax computed at the U.S. federal statutory income tax rate	\$ (36,604)
In-process research and development	22,238
Research and development credits	(343)
Other, net	137
Change in valuation allowance	14,572
Provision for income taxes	\$ —

Deferred income taxes reflect the tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. The components of the Company's net deferred tax assets (liabilities) are as follows (in thousands):

	December 31,	
	2025	2024
Deferred tax assets:		
Unrealized losses	\$ —	\$ 38
Research and development credit carryforwards	1,435	340
Net operating loss carryforward	5,224	—
Accruals and other	762	227
Research and development supplies	4,376	1,360
Intangibles	16,409	11,444
Stock-based compensation	97	20
Capitalized research and development expense	6,155	1,318
Property and equipment	11	—
Operating lease liabilities	304	392
Gross deferred tax assets	34,773	15,139
Less: Valuation allowance	(34,365)	(14,728)
Total deferred tax assets, net of allowance	408	411
Deferred tax liabilities:		
Property and equipment	—	(42)
Unrealized gains	(126)	—
Operating lease right-of-use-assets	(282)	(369)
Total deferred tax liabilities	(408)	(411)
Net deferred tax assets	\$ —	\$ —

In accordance with FASB ASC 740, *Income Taxes*, the Company evaluated the realizability of its gross federal and state deferred income tax assets. Deferred income tax assets are required to be reduced by a valuation allowance if it is more likely than not that some or all of the deferred income tax assets will not be realized. As a result of the cumulative losses, the Company has established a valuation allowance against all of its U.S. federal and state deferred tax assets that will not be realized through the reversal of taxable temporary differences. The valuation allowance as of December 31, 2025 and 2024 was \$34.4 million and \$14.7 million, respectively.

Candid Therapeutics, Inc.
Notes to Consolidated Financial Statements - (Continued)

As of December 31, 2025, the Company had federal and state net operating loss ("NOL") carryforwards of \$24.9 million and \$53.7 million, respectively. The entire amount of the federal NOLs carry forward indefinitely; however, these attributes were generated after 2017 which can generally be used to offset up to 80.0% of future taxable income. The \$53.7 million of the state NOLs begin to expire in 2045 unless utilized. As of December 31, 2025, the Company had federal research and development ("R&D") credits of \$1.1 million, which begin to expire in 2045 and state R&D credits of \$0.7 million, which carry forward indefinitely. The Company recognizes the impact of a tax position in the consolidated financial statements if that position is more likely than not of being sustained on a tax return upon examination by the relevant taxing authority, based on the technical merits of the position.

The following table summarizes the activity related to the Company's gross unrecognized tax benefits (in thousands):

	Year Ended December 31, 2025	Period from May 1, 2024 (inception) to December 31, 2024
Beginning balance	\$ 76	\$ —
Increases related to prior year tax positions	460	—
Increases related to current year tax positions	4,437	76
Balance at December 31, 2025	<u>\$ 4,973</u>	<u>\$ 76</u>

As of December 31, 2025, the Company had gross unrecognized tax benefits of \$5.0 million, none of which would affect the effective tax rate if recognized given the Company's valuation allowance position. The Company does not anticipate any significant changes in its unrecognized tax benefits over the next 12 months. The Company's policy is to recognize the interest expense and/or penalties related to income tax matters as a component of income tax expense.

The Company had no accrual for interest or penalties on its consolidated balance sheets at December 31, 2025 and 2024 and has not recognized interest and/or penalties in its statements of operations and comprehensive loss for the year ended December 31, 2025 or the period ended December 31, 2024.

Under Section 382 of the Internal Revenue Code of 1986, as amended ("Section 382"), the Company's ability to utilize net operating loss carryforwards or other tax attributes such as research tax credits, in any taxable year, may be limited if the Company experiences, or has experienced, an "ownership change." A Section 382 "ownership change" generally occurs if one or more stockholders or groups of stockholders, who own at least 5% of the Company's stock, increase their ownership by more than 50 percentage points over their lowest ownership percentage within a rolling three-year period. Similar rules may apply under state tax laws. The Company has not completed a Section 382 study as of December 31, 2025. The Company may have experienced one or more Section 382 "ownership changes" or may experience one or more in the future. If so, the Company may not be able to utilize a material portion of its net operating loss carryforwards and tax credits, even if the Company achieves profitability.

The Company is subject to taxation in the United States, China, and various state jurisdictions. Due to the presence of net operating loss carryforwards, all income tax years remain open for examination by U.S. federal and various state taxing authorities. The Company began filing in China in 2025. The Company has not been notified that it is under examination in any jurisdiction. As of December 31, 2025, the Company has not paid a material amount of income tax in any jurisdiction.

On July 4, 2025, the One Big Beautiful Bill Act ("OBBBA") was enacted in the United States. The OBBBA includes significant provisions, such as the permanent extension of certain expiring provisions of the Tax Cuts and Jobs Act of 2017, modifications to the international tax framework and the restoration of favorable tax treatment for certain business provisions. This new legislation has multiple effective dates, with certain provisions becoming effective in 2025 and others implemented through 2027. The Company has reflected the effect of OBBBA within the provision for income taxes and the deferred taxes as of December 31, 2025.

Candid Therapeutics, Inc.
Notes to Consolidated Financial Statements - (Continued)

10. Segment Reporting

In order to allocate resources, the Company's CODM regularly reviews scientific data from clinical and preclinical studies, forecasted cash balances, and monitors budgeted to actual expenditures for clinical and preclinical programs and other projected operational expenses. The CODM assesses performance for the segment based on net loss, which is reported on the consolidated statement of operations and comprehensive loss. Significant segment expenses provided to the CODM are the same as presented on the consolidated statements of operations and comprehensive loss as research and development, in-process research and development, general and administrative expenses, and other income (expense), net. The measure of segment assets is reported on the consolidated balance sheets as total assets. No revenue has been generated since inception and substantially all assets are held in the United States. The accounting policies of this segment are the same as those described in the summary of significant accounting policies.

Information related to the Company's operating segment is as follows (in thousands):

	Year Ended December 31, 2025	Period from May 1, 2024 (inception) to December 31, 2024
Research and development	\$ 62,240	\$ 14,095
In-process research and development	\$ 31,300	\$ 162,027
General and administrative	\$ 8,715	\$ 3,073
Other income (expense), net	\$ 10,020	\$ 4,889
Net loss	\$ (92,235)	\$ (174,306)

11. Subsequent Events

The Company has completed an evaluation of all subsequent events through March 16, 2026, the date the consolidated financial statements were issued, to ensure these consolidated financial statements include appropriate disclosure of events both recognized in the consolidated financial statements and events that occurred but were not recognized in the consolidated financial statements. The Company has concluded that no subsequent event has occurred that requires disclosure except as noted below.

On March 1, 2026, the Company, Rallybio Corporation ("Rallybio") and Farmington Merger Sub, Inc., a wholly owned subsidiary of Rallybio ("Merger Sub"), entered into an Agreement and Plan of Merger and Reorganization (the "Merger Agreement"), pursuant to which, and subject to the satisfaction or waiver of the conditions set forth in the Merger Agreement, Merger Sub will merge with and into the Company, with the Company surviving as a wholly owned subsidiary of Rallybio (the "Merger"). In addition, on March 1, 2026, the Company entered into a subscription agreement (the "Subscription Agreement") with certain investors, pursuant to which the Company has agreed to sell, and such investors have agreed to purchase, shares of the Company common stock for an aggregate purchase price of \$505.5 million, immediately prior to the closing of the Merger (the "Concurrent Financing"). The closing of the Concurrent Financing is conditioned upon the satisfaction or waiver of each of the conditions to the closing of the Merger as well as certain other conditions. The Merger is expected to close in the second quarter of 2026 following the effectiveness of the required registration statement, receipt of approval by the stockholders of each of Rallybio and the Company, and the satisfaction or waiver of the other conditions to the Merger.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the Board of Directors of Candid Therapeutics, Inc.

Opinion on the Financial Statements

We have audited the accompanying statements of operations and comprehensive loss, convertible preferred stock and stockholders' deficit, and cash flows of Vignette Bio, Inc. (the "Company") for the period from January 1, 2024 through August 19, 2024, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the Company's results of its operations and its cash flows for the period from January 1, 2024 through August 19, 2024, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

/s/ Deloitte & Touche LLP

March 16, 2026
San Diego, California

We have served as the Company's auditor since 2025.

Vignette Bio, Inc.
Statement of Operations and Comprehensive Loss
(in thousands, except share and per share data)

	Period from January 1, 2024 to August 19, 2024
Operating expenses:	
Research and development (includes related party amount of \$18)	\$ 18
In-process research and development	60,000
General and administrative (includes related party amount of \$68)	598
Total operating expenses	60,616
Net loss and comprehensive loss	<u>\$ (60,616)</u>
Net loss per share, basic and diluted	<u>\$ (10.02)</u>
Weighted-average shares of common stock outstanding, basic and diluted	<u>6,048,815</u>

See accompanying notes.

Vignette Bio, Inc.
Statement of Convertible Preferred Stock and Stockholders' Deficit
(in thousands, except share data)

	Series A Convertible Preferred Stock		Common Stock		Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount		
Balance at December 31, 2023	—	\$ —	—	\$ —	\$ (3)	\$ (3)
Issuance of common stock to founders	—	—	14,175,000	1	—	1
Issuance of Series A convertible preferred stock to licensor	30,000,000	30,000	—	—	—	—
Issuance of Series A convertible preferred stock for cash, net of \$163 of issuance costs	74,737,500	74,575	—	—	—	—
Settlement of SAFE with related parties into Series A convertible preferred stock	262,500	263	—	—	—	—
Net loss	—	—	—	—	(60,616)	(60,616)
Balance at August 19, 2024	<u>105,000,000</u>	<u>\$104,838</u>	<u>14,175,000</u>	<u>\$ 1</u>	<u>\$ (60,619)</u>	<u>\$ (60,618)</u>

See accompanying notes.
F-62

Vignette Bio, Inc.
Statement of Cash Flows
(in thousands)

	Period from January 1, 2024 to August 19, 2024
Cash flows from operating activities	
Net loss	\$ (60,616)
Adjustments to reconcile net loss to net cash used in operating activities:	
In-process research and development	60,000
Changes in operating assets and liabilities:	
Prepaid expenses and other assets (includes related party amount of \$(668))	(744)
Accounts payable and accrued expenses (includes related party amount of \$5)	5
Net cash used in operating activities	(1,355)
Cash flows from investing activities	
Cash paid for in-process research and development	(30,000)
Net cash used in investing activities	(30,000)
Cash flows from financing activities	
Proceeds from issuance of Series A convertible preferred stock, net of issuance costs	74,575
Proceeds from issuances of common stock to founders	1
Proceeds from issuance of SAFE with related parties	263
Net cash provided by financing activities	74,839
Net increase in cash	43,484
Cash, beginning of period	—
Cash, end of period	<u>\$ 43,484</u>
Supplemental disclosure of noncash investing and financing activities	
Conversion of SAFE with related parties into Series A convertible preferred stock	<u>\$ 263</u>
Issuance of Series A convertible preferred stock to acquire in-process research and development	<u>\$ 30,000</u>

See accompanying notes.

Vignette Bio, Inc.
Notes to Financial Statements

1. Organization and Summary of Significant Accounting Policies

Organization

Vignette Bio, Inc. (the "Company" and formerly FL2024-005, Inc.) was incorporated in the state of Delaware in December 2023. Prior to the merger transaction in August 2024 described below, the Company was a biotechnology company focused on identifying therapies to treat autoimmune diseases. On August 19, 2024, the Company, TRC 2004, Inc. ("TRC") and Candid Therapeutics, Inc. ("Candid") executed an Agreement and Plan of Merger and Reorganization (the "2024 Merger Agreement"), pursuant to which both TRC and the Company became wholly owned subsidiaries of Candid (the "2024 Merger"). Effective upon the completion of the 2024 Merger, (i) each issued and outstanding share of common stock of the Company was cancelled and exchanged for one share of Candid common stock, and (ii) each issued and outstanding share of Series A of the Company was cancelled and exchanged for one share of Candid Series A-1 convertible preferred stock.

Liquidity and Capital Resources

From its inception through August 19, 2024, the Company has devoted substantially all its resources and efforts to raising capital and acquiring the technology that led to the 2024 Merger. The Company has incurred net losses and negative cash flows from operations since inception and had an accumulated deficit as of August 19, 2024. Since inception through August 19, 2024, the Company has funded its operations primarily with the net proceeds from the issuance of its convertible preferred stock.

Use of Estimates

The Company's financial statements are prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). The preparation of the Company's financial statements requires it to make estimates and assumptions that impact the reported amounts. These estimates and assumptions are based on current facts, historical experience and various other factors believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the recording of expenses that are not readily apparent from other sources. Actual results may differ materially and adversely from these estimates. To the extent there are material differences between the estimates and actual results, the Company's future results of operations will be affected.

Fair Value Measurements

The accounting guidance defines fair value, establishes a consistent framework for measuring fair value and expands disclosure for each major asset and liability category measured at fair value on either a recurring or non-recurring basis. Fair value is defined as an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, the accounting guidance establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

- Level 1: Observable inputs such as quoted prices in active markets.
- Level 2: Inputs, other than the quoted prices in active markets that are observable either directly or indirectly.
- Level 3: Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

As further described in Note 2, the Company entered into SAFE agreements (as defined and described below) in June 2024 with certain related parties. The Company elected the fair value option for the SAFE agreements. There was no material difference between the cash proceeds received at issuance in June 2024, the fair value at issuance, and the fair value at settlement in July 2024. Accordingly, no change in fair value was recognized in the statement of operations and comprehensive loss during 2024.

Vignette Bio, Inc.**Notes to Financial Statements - (Continued)****Cash**

The Company considers all highly liquid investments with original maturities of three months or less when purchased to be cash equivalents. The Company had no cash equivalents for the period presented. Cash includes cash in readily available checking accounts and money market accounts.

Convertible Preferred Stock

The Company has classified its convertible preferred stock outside of stockholders' deficit in accordance with authoritative guidance for the classification and measurement of potentially redeemable securities whose redemption is based upon certain change in control events outside of the Company's control, including liquidation, sale or transfer of the Company. For convertible preferred stock issued in exchange for cash proceeds, the Company records the convertible preferred stock at the issuance price, net of related issuance costs, discounts, and proceeds allocated to other instruments issued together with the convertible preferred stock. The Company subsequently measures convertible preferred stock that is currently redeemable or probable of becoming redeemable in the future by accreting changes in the redemption value using the interest method from the date of issuance to the earliest date the redemption feature can be exercised. As of August 19, 2024, no convertible preferred stock was redeemable or probable of becoming redeemable. See Note 4 for further information.

Business Combinations and Asset Acquisitions

In accordance with Accounting Standards Codification ("ASC") 805, *Business Combinations* ("ASC 805"), upon an acquisition, the Company performs an initial test to determine whether substantially all of the fair value of the gross assets transferred is concentrated in a single identifiable asset or a group of similar identifiable assets, such that the acquisition would represent an asset acquisition rather than a business combination. If that test indicates that the set of assets and activities is a business, the Company then performs a second test to evaluate whether the assets and activities transferred include inputs and substantive processes that together, significantly contribute to the ability to create outputs, which would constitute a business. If the result of the second test suggests that the acquired assets and activities constitute a business, the Company accounts for the transaction as a business combination.

For transactions accounted for as business combinations, the Company allocates the fair value of acquisition consideration to the identifiable assets acquired and liabilities assumed based on their estimated fair values. The excess of the fair value of acquisition consideration over the fair value of acquired identifiable assets and liabilities assumed is recognized as goodwill. During the measurement period of a business combination, which is not to exceed one year, if new information is obtained about facts and circumstances that existed as of the acquisition date, changes in the estimated fair values of the net assets recorded may change the amount of the purchase price allocable to the excess over the fair value of assets acquired. Upon the conclusion of the measurement period, any subsequent adjustments are recorded to earnings. Acquisition-related costs in a business combination are expensed as incurred.

Acquisitions of assets or a group of assets that do not meet the definition of a business are accounted for as asset acquisitions, with a cost accumulation model used to determine the cost of the acquisition. For an asset acquisition, the fair value of acquisition consideration is allocated to the identifiable assets acquired and liabilities assumed at cost on a relative fair value basis. If a single asset is acquired, the entire cost is attributed to the acquired asset. In addition, for such asset acquisitions, no goodwill is recognized, acquisition-related costs are capitalized, and any associated contingent consideration is recorded when the underlying contingencies have been resolved. Common stock and convertible preferred stock issued as consideration in an acquisition of assets are measured based on the acquisition date fair value of the equity interests. Intangible assets that are acquired in an asset acquisition for use in research and development activities that have an alternative future use are capitalized as in-process research and development ("IPR&D"). Acquired IPR&D that has no alternative future use is expensed immediately. Cash payments for the acquisition of IPR&D are reported as cash outflows for investing activities in the statement of cash flows.

Vignette Bio, Inc.**Notes to Financial Statements - (Continued)****Income Taxes**

The Company accounts for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements. Under this method, deferred tax assets and liabilities are determined on the basis of the differences between the financial statements and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date.

The Company recognizes net deferred tax assets to the extent that the Company believes these assets are more likely than not to be realized. In making such a determination, management considers all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax-planning strategies, and results of recent operations. If management determines that the Company would be able to realize its deferred tax assets in the future in excess of their net recorded amount, management would make an adjustment to the deferred tax asset valuation allowance, which would reduce the provision for income taxes.

The Company records uncertain tax positions on the basis of a two-step process whereby (1) management determines whether it is more likely than not that the tax positions will be sustained on the basis of the technical merits of the position and (2) for those tax positions that meet the more-likely-than-not recognition threshold, management recognizes the largest amount of tax benefit that is more than 50 percent likely to be realized upon ultimate settlement with the related tax authority. The Company recognizes interest and penalties related to unrecognized tax benefits within income tax expense. Any accrued interest and penalties are included within the related tax liability.

Comprehensive Loss

Comprehensive loss is defined as a change in equity during a period from transactions and other events and circumstances from non-owner sources. The Company's comprehensive loss was the same as its reported net loss for the period presented.

Segment Reporting

Operating segments are identified as components of an enterprise about which separate discrete financial information is available for evaluation by the chief operating decision-maker in making decisions regarding resource allocation and assessing performance. The Company and its chief operating decision-maker view the Company's operations and manage its business in one operating segment. Significant operating expenses include research and development, in-process research and development, and general and administrative expenses, which are each separately presented on the Company's statement of operations and comprehensive loss.

Net Loss Per Share

Basic net loss per share is computed by dividing the net loss by the weighted-average number of the Company's common shares outstanding for the period, without consideration for potentially dilutive securities. The Company has excluded 352,047 weighted-average unvested shares from the weighted-average number of common shares outstanding for the period from January 1, 2024 to August 19, 2024. Diluted net loss per share is computed by dividing the net loss attributable to common stockholders by the weighted-average number of common shares and dilutive common stock equivalents outstanding for the period determined using the treasury-stock and if-converted methods. Potentially dilutive common stock equivalents are comprised of convertible preferred stock. For the period presented, there is no difference in the number of shares used to calculate basic and diluted shares outstanding as inclusion of the potentially dilutive securities would be anti-dilutive.

2. Related Party Transactions**SAFE Agreements with Related Parties**

In June 2024, the Company entered into three Simple Agreement for Future Equity ("SAFE") agreements with a principal owner (or its affiliates) ("Foresite") of the Company under which it received aggregate proceeds of \$0.3 million (the "Purchase Amount"). The Purchase Amount was converted in July 2024 into an aggregate of

Vignette Bio, Inc.**Notes to Financial Statements - (Continued)**

262,500 shares of Series A convertible preferred stock ("Series A") with a fair value of \$0.3 million in connection with the Company's Series A preferred stock financing (see Note 4).

Consulting Services Provided by Related Party

In May 2024, the Company entered into a services agreement with Foresite. For the period from December 19, 2023 (inception) to December 31, 2023, prior to entering into the services agreement, the Company recognized \$3,000 of expenses for services provided by Foresite. The Company recognized \$0.1 million of expenses associated with the services agreement for the period from January 1, 2024 to August 19, 2024.

Payments on Behalf of Related Party

In July 2024, the Company paid \$0.7 million for certain research and development expenses on behalf of Candid.

3. License Agreements***License and Collaboration Agreement with Shanghai EpimAb Biotherapeutics Co., Ltd.***

In August 2024, the Company entered into a license and collaboration agreement (the "EpimAb License Agreement") with Shanghai EpimAb Biotherapeutics Co., Ltd. ("EpimAb").

Under the EpimAb License Agreement, the Company has a royalty-bearing, sublicensable license, under certain know-how and patent rights controlled by EpimAb relating to BCMA/CD3 bi-specific antibodies, to research, develop, manufacture, use, sell, offer for sale, import and otherwise commercialize EMB06 and certain derivatives of EMB06 that are also BCMAxCD3 bispecific antibodies, and products containing EMB06 or such derivatives ("EMB06 Licensed Products") everywhere in the world except for Greater China (which includes Hong Kong, Macau and Taiwan) (the "EMB06 Licensed Territory") for the diagnosis, treatment or prevention of all human and non-human diseases (the "EMB06 Field"). The Company's license is exclusive with respect to certain licensed patents and claims of certain other licensed patents that specifically cover any BCMAxCD3 bispecific antibody as a whole or that cover certain binding sequences and licensed know-how that is related to such licensed patents or licensed patent claims; it is non-exclusive with respect to all other licensed patent claims and licensed know-how. The Company also has a non-exclusive license from EpimAb (a) to manufacture EMB06 and EMB06 Licensed Products in Greater China (including Hong Kong, Macau and Taiwan) (the "EpimAb Territory") solely for use in the EMB06 Licensed Territory and (b) to research and develop EMB06 Licensed Products in the EMB06 Field in the EpimAb Territory solely for the purpose of obtaining regulatory approval of EMB06 Licensed Products in the EMB06 Licensed Territory.

The Company is responsible, at its own cost, for the development, manufacture and commercialization of EMB06 Licensed Products in the EMB06 Field in the EMB06 Licensed Territory. The Company is obligated to use commercially reasonable efforts to develop at least one EMB06 Licensed Product in the EMB06 Field in the EMB06 Licensed Territory; provided, however, that this obligation will expire upon achievement of a certain development milestone, or upon the Company's election to make a certain milestone payment early.

In August 2024, as partial consideration for the license, the Company paid EpimAb total upfront cash consideration of \$30.0 million and issued 30,000,000 shares of its Series A with a fair value of \$30.0 million and expensed such amounts as IPR&D as there is no alternative future use for the licensed technology. The Company is obligated to pay EpimAb up to \$95.0 million in development and regulatory milestone payments, up to \$480.0 million in commercial milestone payments, and tiered single-digit royalties on net sales of EMB06 Licensed Products, none of which were due and payable as of August 19, 2024. The royalty payments are subject to reduction under certain customary circumstances. On a EMB06 Licensed Product-by-EMB06 Licensed Product and country-by-country basis, the Company's obligation to pay EpimAb royalties commences on the first commercial sale of such EMB06 Licensed Product in the applicable country until the latest to occur of (a) the last-to-expire valid claim within the licensed patents covering such EMB06 Licensed Product in the applicable country, (b) the expiration of the last-to-expire regulatory exclusivity for such EMB06 Licensed Product in the applicable country and (c) twelve (12) years after the first commercial sale of such EMB06 Licensed Product in the applicable country.

Vignette Bio, Inc.**Notes to Financial Statements - (Continued)**

The EpimAb License Agreement will remain in effect on a EMB06 Licensed Product-by-EMB06 Licensed Product and country-by-country basis until expiration of all royalty payment obligations, unless it is earlier terminated. Following expiration of the EpimAb License Agreement, the licenses granted to the Company become non-exclusive, perpetual, irrevocable and fully paid-up. The Company may terminate the EpimAb License Agreement for convenience upon advance written notice to EpimAb. Either party may terminate the EpimAb License Agreement for the other party's uncured material breach; provided, however, that this termination right will not be available to either party after achievement of a certain development milestone, or upon the Company's election to make a certain milestone payment early. Either party may terminate the EpimAb License Agreement in connection with the insolvency of the other party. EpimAb may terminate the EpimAb License Agreement if the Company challenges a licensed patent, subject to a specified notice and cure period. Upon termination of the EpimAb License Agreement, the Company is subject to certain post-termination obligations to enable EpimAb to be able to exploit EMB06 Licensed Products in the EMB06 Field on a worldwide basis.

4. Convertible Preferred Stock and Stockholders' Deficit***Convertible Preferred Stock***

In July and August 2024, pursuant to a Series A preferred stock purchase agreement with new and existing investors to the Company, the Company issued an aggregate of 105,000,000 shares of Series A in multiple closings at a purchase price of \$1.00 per share. In connection with the Series A preferred stock financing the Company issued: (i) 74,737,500 shares of Series A for gross cash proceeds of \$74.7 million, (ii) 30,000,000 shares of Series A in connection with the EpimAb License Agreement and (iii) 262,500 shares of Series A upon the settlement of the SAFE agreements described above. The Company incurred \$0.2 million of issuance costs in connection with the Series A financing.

Description of Securities***Dividends***

Holders of Series A, in preference to the holders of common stock, are entitled to receive, but only out of funds that are legally available therefor, cash dividends at the annual per share rate of \$0.08. After payment of any preferential preferred stock dividends described above, if any additional dividends are paid or set aside, such dividends shall be paid to the holders of common stock and the holders of Series A as if the shares of Series A had converted to common stock. Such dividends are noncumulative and are payable only when, as and if declared by the Company's board of directors.

Liquidation Preferences

Upon any liquidation, dissolution or winding up of the Company, the holders of Series A are entitled to receive a liquidation preference at the per share rate of \$1.00, plus all declared and unpaid dividends. Liquidation payments to the holders of Series A have priority and are made in preference to any payments to the holders of common stock. After full payment of the liquidation preference to the holders of the Series A, the remaining assets, if any, will be distributed ratably to the holders of common stock. The Series A would be deemed converted to common stock in the event such conversion would result in a liquidation payment greater than its liquidation preference.

Conversion

The shares of Series A are convertible into an equal number of shares of common stock, at the option of the holder, subject to certain anti-dilution adjustments. Each share of Series A is automatically converted into common stock upon, (a) the closing of the sale of shares of common stock to the public in a firm-commitment underwritten public offering pursuant to an effective registration statement under the Securities Act of 1933, as amended, resulting in at least \$50.0 million of gross proceeds to the Company and certain other conditions, or (b) the vote of the holders of at least a majority of the outstanding shares of Series A, voting together as a single class on an as converted to common stock basis.

Voting Rights

The holder of each share of Series A is entitled to one vote for each share of common stock into which it would convert and has protective voting provisions related to certain matters including material changes to the corporate

Vignette Bio, Inc.
Notes to Financial Statements - (Continued)

structure, capitalization and the incurrence of certain corporate obligations, among other issues. In addition, the Series A is entitled to elect certain members of the board of directors.

Common Stock Issuances

In May 2024, the Company issued an aggregate of 15,000,000 shares of its common stock to certain founders at a price of \$0.0001 per share, the then-current fair value of the Company's common stock. At issuance, 825,000 of such shares were subject to a repurchase option by the Company, under which 25% of the shares will be released from the repurchase option on May 1, 2025, and 1/48th of the shares will vest and be released from the repurchase option on a monthly basis thereafter, subject to continued services to the Company as of the date of such release. As of August 19, 2024, 825,000 shares were unvested and subject to repurchase by the Company and the repurchase liability related to the unvested shares was immaterial. For accounting purposes, unvested shares of common stock are not considered outstanding until they vest.

5. Income Taxes

The Company's pretax net loss for the period from January 1, 2024 to August 19, 2024 was generated solely in the United States. A reconciliation of the income tax expense computed at the U.S. federal statutory income tax rate to the Company's income tax expense is as follows (in thousands):

	Period from January 1, 2024 to August 19, 2024
Tax computed at federal statutory rate	\$ (12,729)
Non-deductible license consideration	6,300
Financing costs	30
Change in valuation allowance	6,399
	<u>\$ —</u>

The Company is subject to taxation in the United States and various state jurisdictions. The Company has not been notified that it is under examination in any jurisdiction.

6. Subsequent Events

The Company has completed an evaluation of all subsequent events through March 16, 2026, the date the financial statements were issued, to ensure these financial statements include appropriate disclosure of events both recognized in the financial statements and events that occurred but were not recognized in the financial statements. The Company has concluded that no subsequent event has occurred that requires disclosure except as described in Note 1 above.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the Board of Directors of Candid Therapeutics, Inc.

Opinion on the Financial Statements

We have audited the accompanying statements of operations and comprehensive loss, convertible preferred stock and stockholders' deficit, and cash flows of TRC 2004, Inc. (the "Company") for the period from January 1, 2024 through August 19, 2024, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the Company's results of its operations and its cash flows for the period from January 1, 2024 through August 19, 2024, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

/s/ Deloitte & Touche LLP

March 16, 2026
San Diego, California

We have served as the Company's auditor since 2025.

TRC 2004, Inc.
Statement of Operations and Comprehensive Loss
(in thousands, except share and per share data)

	Period from January 1, 2024 to August 19, 2024
Operating expenses:	
Research and development	\$ 87
In-process research and development	23,529
General and administrative (includes related party amount of \$910)	1,375
Total operating expenses	<u>24,991</u>
Loss from operations	(24,991)
Other income (expense), net:	
Interest income	5
Interest expense – related party	(1)
Other expense – related party	(14,495)
Total other income (expense), net	<u>(14,491)</u>
Net loss and comprehensive loss	<u>\$ (39,482)</u>
Net loss per share, basic and diluted	<u>\$ (6.96)</u>
Weighted-average shares of common stock outstanding, basic and diluted	<u>5,673,329</u>

See accompanying notes.

TRC 2004, Inc.

Statement of Convertible Preferred Stock and Stockholders' Deficit
(in thousands, except share data)

	Series A Convertible Preferred Stock		Common Stock		Additional Paid-in Capital	Promissory Note Receivable for Common Stock – Related Party	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount				
Balance at December 31, 2023	—	\$ —	5,000,000	\$ 5	\$ —	(5)	\$ (10)	\$ (10)
Collection of promissory notes receivable	—	—	—	—	—	5	—	5
Issuance of common stock to related party investors	—	—	5,000,000	5	14,495	—	—	14,500
Issuance of common stock to licensor, net of \$18 of issuance costs	—	—	1,111,111	1	3,203	—	—	3,204
Issuance of common stock to licensor in connection with anti-dilution rights	—	—	1,830,065	2	5,305	—	—	5,307
Issuance of Series A convertible preferred stock for cash, net of \$109 of issuance costs	21,117,340	89,640	—	—	—	—	—	—
Conversion of convertible promissory note into Series A convertible preferred stock	59,130	251	—	—	—	—	—	—
Net loss	—	—	—	—	—	—	(39,482)	(39,482)
Balance at August 19, 2024	<u>21,176,470</u>	<u>\$ 89,891</u>	<u>12,941,176</u>	<u>\$ 13</u>	<u>\$ 23,003</u>	<u>\$ —</u>	<u>\$ (39,492)</u>	<u>\$ (16,476)</u>

See accompanying notes.

TRC 2004, Inc.
Statement of Cash Flows
(in thousands)

	Period from January 1, 2024 to August 19, 2024
Cash flows from operating activities	
Net loss	\$ (39,482)
Adjustments to reconcile net loss to net cash used in operating activities:	
In-process research and development	23,529
Discount on common stock issuances to related party investors	14,495
Noncash interest expense – related party	1
Changes in operating assets and liabilities:	
Prepaid expenses and other assets	(20)
Accounts payable (includes related party amount of \$(10))	(8)
Net cash used in operating activities	(1,485)
Cash flows from investing activities	
Cash paid for in-process research and development	(16,000)
Net cash used in investing activities	(16,000)
Cash flows from financing activities	
Proceeds from issuance of Series A convertible preferred stock, net of issuance costs	89,640
Proceeds from issuances of common stock, net of issuance costs	987
Proceeds from issuance of convertible promissory notes – related party	250
Proceeds from collection of promissory notes receivable related to common stock issuances – related party	5
Net cash provided by financing activities	90,882
Net increase in cash	73,397
Cash, beginning of period	—
Cash, end of period	<u>\$ 73,397</u>
Supplemental disclosure of noncash investing and financing activities	
Conversion of convertible promissory notes and accrued interest into Series A convertible preferred stock – related party	<u>\$ 251</u>
Issuance of common stock to acquire in-process research and development	<u>\$ 7,529</u>

See accompanying notes.

TRC 2004, Inc.
Notes to Financial Statements

1. Organization and Summary of Significant Accounting Policies

Organization

TRC 2004, Inc. (the "Company") was incorporated in the state of Delaware in September 2020. Prior to the merger transaction in August 2024 described below, the Company was a biotechnology company focused on identifying therapies to treat autoimmune diseases. On August 19, 2024, the Company, Vignette Bio, Inc. ("Vignette") and Candid Therapeutics, Inc. ("Candid") executed an Agreement and Plan of Merger and Reorganization (the "2024 Merger Agreement"), pursuant to which both Vignette and the Company became wholly-owned subsidiaries of Candid (the "2024 Merger"). Effective upon the completion of the 2024 Merger, (i) each issued and outstanding share of common stock of the Company was cancelled and exchanged for 4.25 shares of Candid common stock, and (ii) each issued and outstanding share of Series A convertible preferred stock of the Company was cancelled and exchanged for 4.25 shares of Candid Series A-2 convertible preferred stock.

Liquidity and Capital Resources

From its inception through August 19, 2024, the Company has devoted substantially all its resources and efforts to raising capital and acquiring the technology that led to the 2024 Merger. The Company has incurred net losses and negative cash flows from operations since inception and had an accumulated deficit as of August 19, 2024. Since inception through August 19, 2024, the Company has funded its operations primarily with the net proceeds from the issuance of its convertible preferred stock, the issuance of common stock and convertible promissory notes.

Use of Estimates

The Company's financial statements are prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). The preparation of the Company's financial statements requires it to make estimates and assumptions that impact the reported amounts. The most significant estimates in the Company's financial statements relate to the determination of the fair value of the Company's common stock (See "Fair Value Measurements" below). These estimates and assumptions are based on current facts, historical experience and various other factors believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the recording of expenses that are not readily apparent from other sources. Actual results may differ materially and adversely from these estimates. To the extent there are material differences between the estimates and actual results, the Company's future results of operations will be affected.

Fair Value Measurements

The accounting guidance defines fair value, establishes a consistent framework for measuring fair value and expands disclosure for each major asset and liability category measured at fair value on either a recurring or non-recurring basis. Fair value is defined as an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, the accounting guidance establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

- Level 1: Observable inputs such as quoted prices in active markets.
- Level 2: Inputs, other than the quoted prices in active markets that are observable either directly or indirectly.
- Level 3: Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

In July and August 2024, the Company issued common stock in connection with a license agreement (see Note 3) and various sales of common stock (see Note 4). The Company estimated the fair value of its common stock using methodologies, approaches and assumptions consistent with the American Institute of Certified Public Accountants Accounting and Valuation Guide: *Valuation of Privately Held Company Equity Securities Issued as Compensation* (the "Practice Aid"). The Practice Aid prescribes several valuation approaches for setting the value of an enterprise, such as the cost, income and market approaches, and various methodologies for allocating the value of an enterprise to its

TRC 2004, Inc.

Notes to Financial Statements - (Continued)

capital stock. After considering its Series A preferred stock financing with new and existing investors in August 2024, and the potential of a merger and acquisition ("M&A") transaction, the Company concluded a hybrid method utilizing both M&A and alternative exit scenarios was most appropriate. The hybrid method is useful when certain discrete future outcomes can be predicted, but also accounts for uncertainty regarding the timing or likelihood of specific alternative exit events. The equity value in the M&A scenario was determined using the fully diluted backsolve method, which assumes the undiscounted fair value of all shares in the Company are equal to the most recent round of financing on a fully diluted basis. The equity value in the alternative exit scenario was determined using the backsolve method that considers the rights and preferences of each class of equity and solving for the total market value of invested capital that is consistent with a recent transaction in the Company's own securities. The equity value in the alternative exit scenario was allocated using the option pricing method, whereby shares are valued by creating a series of call options with exercise prices based on the liquidation preferences and conversion terms of each equity class. The values of the preferred and common stock are inferred by analyzing these options.

There are significant judgments, assumptions and estimates inherent in the determination of the fair value of the Company's capital stock. These include determination of a valuation method and selection of the possible outcomes available to the Company, including the determination of timing and expected future investment returns for such scenarios. The related judgments, assumptions and estimates are highly interrelated and changes in any one assumption could necessitate changes in another. In particular, any changes in the probability of a particular outcome would require a related change to the probability of another outcome.

Cash

The Company considers all highly liquid investments with original maturities of three months or less when purchased to be cash equivalents. The Company had no cash equivalents for the period presented. Cash includes cash in readily available checking accounts and money market accounts.

Convertible Preferred Stock

The Company has classified its convertible preferred stock outside of stockholders' deficit in accordance with authoritative guidance for the classification and measurement of potentially redeemable securities whose redemption is based upon certain change in control events outside of the Company's control, including liquidation, sale or transfer of the Company. For convertible preferred stock issued in exchange for cash proceeds, the Company records the convertible preferred stock at the issuance price, net of related issuance costs, discounts, and proceeds allocated to other instruments issued together with the convertible preferred stock. The Company subsequently measures convertible preferred stock that is currently redeemable or probable of becoming redeemable in the future by accreting changes in the redemption value using the interest method from the date of issuance to the earliest date the redemption feature can be exercised. As of August 19, 2024, no convertible preferred stock was redeemable or probable of becoming redeemable. See Note 4 for further information.

Business Combinations and Asset Acquisitions

In accordance with Accounting Standards Codification ("ASC") 805, *Business Combinations* ("ASC 805"), upon an acquisition, the Company performs an initial test to determine whether substantially all of the fair value of the gross assets transferred is concentrated in a single identifiable asset or a group of similar identifiable assets, such that the acquisition would represent an asset acquisition rather than a business combination. If that test indicates that the set of assets and activities is a business, the Company then performs a second test to evaluate whether the assets and activities transferred include inputs and substantive processes that together, significantly contribute to the ability to create outputs, which would constitute a business. If the result of the second test suggests that the acquired assets and activities constitute a business, the Company accounts for the transaction as a business combination.

For transactions accounted for as business combinations, the Company allocates the fair value of acquisition consideration to the identifiable assets acquired and liabilities assumed based on their estimated fair values. The excess of the fair value of acquisition consideration over the fair value of acquired identifiable assets and liabilities assumed is recognized as goodwill. During the measurement period of a business combination, which is not to

TRC 2004, Inc.

Notes to Financial Statements - (Continued)

exceed one year, if new information is obtained about facts and circumstances that existed as of the acquisition date, changes in the estimated fair values of the net assets recorded may change the amount of the purchase price allocable to the excess over the fair value of assets acquired. Upon the conclusion of the measurement period, any subsequent adjustments are recorded to earnings. Acquisition-related costs in a business combination are expensed as incurred.

Acquisitions of assets or a group of assets that do not meet the definition of a business are accounted for as asset acquisitions, with a cost accumulation model used to determine the cost of the acquisition. For an asset acquisition, the fair value of acquisition consideration is allocated to the identifiable assets acquired and liabilities assumed at cost on a relative fair value basis. If a single asset is acquired, the entire cost is attributed to the acquired asset. In addition, for such asset acquisitions, no goodwill is recognized, acquisition-related costs are capitalized, and any associated contingent consideration is recorded when the underlying contingencies have been resolved. Common stock and convertible preferred stock issued as consideration in an acquisition of assets are measured based on the acquisition date fair value of the equity interests. Intangible assets that are acquired in an asset acquisition for use in research and development activities that have an alternative future use are capitalized as in-process research and development ("IPR&D"). Acquired IPR&D that has no alternative future use is expensed immediately. Cash payments for the acquisition of IPR&D are reported as cash outflows for investing activities in the statement of cash flows.

Income Taxes

The Company accounts for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements. Under this method, deferred tax assets and liabilities are determined on the basis of the differences between the financial statements and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date.

The Company recognizes net deferred tax assets to the extent that the Company believes these assets are more likely than not to be realized. In making such a determination, management considers all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax-planning strategies, and results of recent operations. If management determines that the Company would be able to realize its deferred tax assets in the future in excess of their net recorded amount, management would make an adjustment to the deferred tax asset valuation allowance, which would reduce the provision for income taxes.

The Company records uncertain tax positions on the basis of a two-step process whereby (1) management determines whether it is more likely than not that the tax positions will be sustained on the basis of the technical merits of the position and (2) for those tax positions that meet the more-likely-than-not recognition threshold, management recognizes the largest amount of tax benefit that is more than 50 percent likely to be realized upon ultimate settlement with the related tax authority. The Company recognizes interest and penalties related to unrecognized tax benefits within income tax expense. Any accrued interest and penalties are included within the related tax liability.

Comprehensive Loss

Comprehensive loss is defined as a change in equity during a period from transactions and other events and circumstances from non-owner sources. The Company's comprehensive loss was the same as its reported net loss for the period presented.

Segment Reporting

Operating segments are identified as components of an enterprise about which separate discrete financial information is available for evaluation by the chief operating decision-maker in making decisions regarding resource allocation and assessing performance. The Company and its chief operating decision-maker view the Company's operations and manage its business in one operating segment. Significant operating expenses include research and development, in-process research and development, and general and administrative expenses, which are each separately presented on the Company's statement of operations and comprehensive loss.

TRC 2004, Inc.**Notes to Financial Statements - (Continued)****Net Loss Per Share**

Basic net loss per share is computed by dividing the net loss by the weighted-average number of the Company's common shares outstanding for the period, without consideration for potentially dilutive securities. Diluted net loss per share is computed by dividing the net loss attributable to common stockholders by the weighted-average number of common shares and dilutive common stock equivalents outstanding for the period determined using the treasury-stock and if-converted methods. Potentially dilutive common stock equivalents are comprised of convertible preferred stock. For the period presented, there is no difference in the number of shares used to calculate basic and diluted shares outstanding as inclusion of the potentially dilutive securities would be anti-dilutive.

2. Related Party Transactions**Promissory Notes with Related Parties**

On June 28, 2024, the Company issued two convertible promissory notes (the "Two River Notes") to affiliates of Two River, LLC ("Two River"), a principal owner of the Company. The principal amount of the Two River Notes was \$0.3 million with an interest rate of 5.0% per annum. For the period from January 1, 2024 to August 19, 2024, the Company recognized \$1,000 of interest expense related to the Two River Notes. Outstanding principal and interest on the Two River Notes was converted into 59,130 shares of Series A convertible preferred stock in connection with the Company's Series A preferred stock financing (see Note 4).

Consulting Services Provided by Related Party

In June 2024, the Company entered into a letter agreement with Two River related to consulting services provided to the Company by Two River. During the period from January 1, 2024 to August 19, 2024, the Company recognized \$0.9 million of general and administrative expense associated with the letter agreement.

Common Stock Issued to Related Parties

In July 2024, the Company issued common stock to certain related party investors (see Note 4).

3. License Agreements**License Agreement with Genor Biopharma Co Ltd.**

In August 2024, the Company entered into a license agreement (the "Genor License Agreement") with Genor Biopharma Co Ltd. ("Genor"). Under the Genor License Agreement, the Company has an exclusive, royalty-bearing, sublicensable license under certain know-how and patent rights controlled by Genor (including certain intellectual property in-licensed by Genor) relating to bispecific antibodies and heteromultimeric proteins ("Licensed IP") to develop, use, manufacture, commercialize and otherwise exploit GB261, certain derivatives of GB261 that are also CD20xCD3 bispecific antibodies, and products containing GB261 or such derivatives ("GB261 Licensed Products") everywhere in the world except for Mainland China, Hong Kong, Macau and Taiwan (the "GB261 Licensed Territory") for the diagnosis, treatment or prevention of disease in humans and animals (the "GB261 Field"). The Company also received a non-exclusive, sublicensable license under the Licensed IP in Mainland China, Hong Kong, Macau and Taiwan (the "Genor Territory") to manufacture GB261 Licensed Products in the Genor Territory and to conduct non-clinical and certain clinical development of GB261 Licensed Products in the Genor Territory in the GB261 Field, solely for the purposes of supporting exploitation of GB261 Licensed Products in the GB261 Field in the GB261 Licensed Territory. In addition, the Company has a right of first negotiation if Genor decides to commence negotiations with one or more third parties to grant a license to develop, use, manufacture, commercialize or otherwise exploit GB261 Licensed Products in the GB261 Field in the Genor Territory.

The Company is responsible, at its own cost, for the development, manufacture and commercialization of GB261 Licensed Products in the GB261 Field in the GB261 Licensed Territory. The Company is obligated to use commercially reasonable efforts to develop and obtain regulatory approval for at least one GB261 Licensed Product in the GB261 Field in the United States and in at least one of Canada, the United Kingdom, France, Germany, Spain or Italy ("Major Market Countries"). The Company is also obligated to use commercially reasonable efforts to commercialize at least one GB261 Licensed Product in the United States or any Major Market Country, in which regulatory approval has been obtained for such product.

TRC 2004, Inc.**Notes to Financial Statements - (Continued)**

In August 2024, the Company paid Genor total upfront cash consideration of \$16.0 million. In addition, in August 2024, the Company issued an aggregate of 2,941,176 shares of its common stock to an affiliate of Genor pursuant to a stock purchase agreement containing certain anti-dilution rights. Under the terms of the stock purchase agreement, the purchaser paid \$1.0 million for 1,111,111 shares of the Company's common stock and was issued an additional 1,830,065 shares of the Company's common stock based on its anti-dilution rights. The Company determined that the aggregate fair value of the consideration paid to under the Genor License Agreement was \$23.5 million and consisted of: (i) the \$16.0 million of upfront cash consideration, (ii) the \$2.2 million discount on the sale of common stock to an affiliate of Genor and (iii) the \$5.3 million fair value of shares of common stock issued in connection with anti-dilution rights, and expensed such amount as IPR&D as there is no alternative future use for the Licensed IP. The Company is also obligated to pay Genor up to \$145.0 million in upfront and development and regulatory milestone payments, up to \$300.0 million in commercial milestone payments, tiered mid single-digit to low double-digit percentage royalties on net sales of GB261 Licensed Products, and mid single-digit to low double-digit percentage of income that the Company receives from its sublicensees if the Company sublicense its rights to GB261 Licensed Products, none of which were due and payable as of August 19, 2024. The royalty payments are subject to reduction under certain customary circumstances. On a GB261 Licensed Product-by-GB261 Licensed Product and country-by-country basis, the Company's obligation to pay Genor royalties commences on the first commercial sale of such GB261 Licensed Product in the applicable country until the latest to occur of (a) the last-to-expire valid claim within the patents licensed to the Company by Genor covering such GB261 Licensed Product in the applicable country, (b) the expiration of the last-to-expire regulatory exclusivity for such GB261 Licensed Product in the applicable country and (c) ten (10) years after the first commercial sale of such GB261 Licensed Product in the applicable country.

The Genor License Agreement will remain in effect on a GB261 Licensed Product-by- GB261 Licensed Product and country-by-country basis until expiration of all royalty payment obligations, unless it is earlier terminated. Following expiration of the Genor License Agreement, the licenses granted to the Company become non-exclusive, perpetual, irrevocable and fully paid-up. Either party may terminate the Genor License Agreement for the other party's uncured material breach or insolvency, subject to certain notice and cure periods. Genor may terminate the Genor License Agreement if the Company challenges any of the patents licensed to it, subject to a specified notice and cure period. The Company may terminate the Genor License Agreement in its entirety, or on a country-by-country or GB261 Licensed Product-by-GB261 Licensed Product basis for convenience upon advance written notice to Genor. Upon termination of the Genor License Agreement, the Company is subject to certain post-termination obligations to enable Genor to be able to exploit the GB261 Licensed Products on a worldwide basis, or if the Genor License Agreement is not terminated in its entirety, in the applicable terminated countries.

4. Convertible Preferred Stock and Stockholders' Deficit***Convertible Preferred Stock***

In August 2024, pursuant to a Series A preferred stock purchase agreement, the Company issued in two closings an aggregate of 21,117,340 shares of its Series A convertible preferred stock ("Series A") at a purchase price of \$4.25 per share, and received gross cash proceeds of approximately \$89.7 million. As described above, the Company issued an additional 59,130 shares of Series A convertible preferred stock upon the settlement of convertible promissory notes with a fair value of \$0.3 million. The Company incurred \$0.1 million of issuance costs in connection with the Series A financing.

Description of Securities***Dividends***

Holders of Series A, in preference to the holders of common stock, are entitled to receive, but only out of funds that are legally available therefor, cash dividends at the annual per share rate of \$0.34. After payment of any preferential preferred stock dividends described above, if any additional dividends are paid or set aside, such dividends shall be paid to the holders of common stock and the holders of Series A as if the shares of Series A had converted to common stock. Such dividends are noncumulative and are payable only when, as and if declared by the Company's board of directors.

TRC 2004, Inc.

Notes to Financial Statements - (Continued)

Liquidation Preferences

Upon any liquidation, dissolution or winding up of the Company, the holders of Series A are entitled to receive a liquidation preference at the per share rate of \$4.25, plus all declared and unpaid dividends. Liquidation payments to the holders of Series A have priority and are made in preference to any payments to the holders of common stock. After full payment of the liquidation preference to the holders of the Series A, the remaining assets, if any, will be distributed ratably to the holders of common stock. The Series A would be deemed converted to common stock in the event such conversion would result in a liquidation payment greater than its liquidation preference.

Conversion

The shares of Series A are convertible into an equal number of shares of common stock, at the option of the holder, subject to certain anti-dilution adjustments. Each share of Series A is automatically converted into common stock upon, (a) the closing of the sale of shares of common stock to the public in a firm-commitment underwritten public offering pursuant to an effective registration statement under the Securities Act of 1933, as amended, resulting in at least \$50.0 million of gross proceeds to the Company, after deducting the underwriting discounts and commissions, and certain other conditions, or (b) the vote of the holders of at least 60% of the outstanding shares of Series A, voting together as a single class on an as converted to common stock basis.

Voting Rights

The holder of each share of Series A is entitled to one vote for each share of common stock into which it would convert and has protective voting provisions related to certain matters including material changes to the corporate structure, capitalization and the incurrence of certain corporate obligations, among other issues. In addition, the Series A is entitled to elect certain members of the board of directors.

Common Stock Issuances

In July 2024, the Company issued 5,000,000 shares of common stock to related party investors for cash proceeds of \$5,000. The Company concluded the issuance date fair value of the common stock was \$14.5 million and recognized the \$14.5 million discount as other income (expense) in the accompanying statement of operations and comprehensive loss. No other goods or services were exchanged in this transaction.

5. Income Taxes

The Company's pretax net loss for the period from January 1, 2024 to August 19, 2024 was generated solely in the United States. A reconciliation of the income tax expense computed at the U.S. federal statutory income tax rate to the Company's income tax expense is as follows (in thousands):

	Period from January 1, 2024 to August 19, 2024
Tax computed at federal statutory rate	\$ (8,291)
Non-deductible stock charges	4,625
Financing costs	41
Change in valuation allowance	3,625
	<u>\$ —</u>

The Company is subject to taxation in the United States and various state jurisdictions. The Company has not been notified that it is under examination in any jurisdiction.

6. Subsequent Events

The Company has completed an evaluation of all subsequent events through March 16, 2026, the date the financial statements were issued, to ensure these financial statements include appropriate disclosure of events both recognized in the financial statements and events that occurred but were not recognized in the financial statements. The Company has concluded that no subsequent event has occurred that requires disclosure except as described in Note 1 above.

**AGREEMENT AND PLAN OF MERGER
AND REORGANIZATION**

among:

RALLYBIO CORPORATION,
a Delaware corporation;

FARMINGTON MERGER SUB, INC.,
a Delaware corporation; and

CANDID THERAPEUTICS, INC.,
a Delaware corporation

Dated as of March 1, 2026

TABLE OF CONTENTS

Section 1.	DESCRIPTION OF TRANSACTION	A-2
1.1	The Merger	A-2
1.2	Effects of the Merger	A-2
1.3	Closing; Effective Time	A-2
1.4	Certificate of Incorporation and Bylaws; Directors and Officers	A-2
1.5	Conversion of Shares	A-3
1.6	Calculation of Parent Net Cash	A-4
1.7	Contingent Value Right	A-5
1.8	Closing of the Company's Transfer Books	A-5
1.9	Surrender of Certificates	A-6
1.10	Appraisal Rights	A-7
1.11	Further Action	A-7
1.12	Withholding	A-7
Section 2.	REPRESENTATIONS AND WARRANTIES OF THE COMPANY	A-8
2.1	Organization, Standing and Power	A-8
2.2	Capital Stock	A-8
2.3	Subsidiaries	A-9
2.4	Authority	A-9
2.5	No Conflict; Consents and Approvals	A-10
2.6	Financial Statements	A-11
2.7	No Undisclosed Liabilities	A-11
2.8	Absence of Certain Changes or Events	A-12
2.9	Litigation	A-12
2.10	Compliance with Laws	A-12
2.11	Health Care Regulatory Matters	A-13
2.12	Benefit Plans	A-15
2.13	Labor and Employment Matters	A-16
2.14	Environmental Matters	A-17
2.15	Taxes	A-18
2.16	Contracts	A-20
2.17	Insurance	A-21
2.18	Properties	A-21
2.19	Intellectual Property	A-22
2.20	State Takeover Statutes	A-23
2.21	No Rights Plan	A-23
2.22	Related Party Transactions	A-23
2.23	Certain Payments	A-24
2.24	Brokers	A-24
2.25	Concurrent Financing Compliance	A-24
2.26	No Other Representations or Warranties	A-24
Section 3.	REPRESENTATIONS AND WARRANTIES OF PARENT AND MERGER SUB	A-24
3.1	Organization, Standing and Power	A-25
3.2	Capital Stock	A-25
3.3	Subsidiaries	A-26
3.4	Authority	A-27
3.5	No Conflict; Consents and Approvals	A-27
3.6	SEC Reports; Financial Statements	A-28
3.7	No Undisclosed Liabilities	A-30

Table of Contents

3.8	Absence of Certain Changes or Events	A-30
3.9	Litigation	A-31
3.10	Compliance with Laws	A-32
3.11	Health Care Regulatory Matters	A-32
3.12	Benefit Plans	A-33
3.13	Labor and Employment Matters	A-35
3.14	Environmental Matters	A-36
3.15	Taxes	A-36
3.16	Contracts	A-38
3.17	Insurance	A-39
3.18	Properties	A-40
3.19	Intellectual Property	A-40
3.20	Related Party Transactions	A-42
3.21	Certain Payments	A-42
3.22	Brokers	A-42
3.23	Opinion of Financial Advisor	A-42
3.24	Merger Sub	A-42
3.25	State Takeover Statutes	A-42
3.26	No Other Representations or Warranties	A-42
Section 4.	CERTAIN COVENANTS OF THE PARTIES	A-43
4.1	Operation of Parent's Business	A-43
4.2	Operation of the Company's Business	A-45
4.3	Access and Investigation	A-47
4.4	Parent Non-Solicitation	A-47
4.5	Company Non-Solicitation	A-48
4.6	Notification of Certain Matters	A-49
4.7	Potentially Transferable Assets	A-50
Section 5.	ADDITIONAL AGREEMENTS OF THE PARTIES	A-50
5.1	Registration Statement; Proxy Statement	A-50
5.2	Company Information Statement; Stockholder Written Consent	A-52
5.3	Parent Stockholders' Meeting	A-54
5.4	Regulatory Approvals	A-56
5.5	Company Options	A-57
5.6	Indemnification of Officers and Directors	A-58
5.7	Additional Agreements	A-60
5.8	Public Announcement	A-60
5.9	Listing	A-60
5.10	Tax Matters	A-61
5.11	Directors and Officers	A-62
5.12	Termination of Certain Agreements and Rights	A-62
5.13	Section 16 Matters	A-62
5.14	Cooperation	A-62
5.15	Allocation Certificate; Parent Outstanding Shares Certificate	A-63
5.16	Company Financial Statements	A-63
5.17	Takeover Statutes	A-63
5.18	Stockholder Litigation	A-63
5.19	Equity Plans	A-64
5.20	Parent SEC Documents	A-64
5.21	Parent Options and RSUs	A-64
5.22	Parent Operations Wind-Down	A-64
5.23	Concurrent Financing	A-64

Section 6.	CONDITIONS PRECEDENT TO OBLIGATIONS OF EACH PARTY	A-65
6.1	No Restraints	A-65
6.2	Stockholder Approval	A-65
6.3	Parent Charter Amendment	A-65
6.4	Listing	A-65
6.5	Subscription Agreement	A-65
6.6	Effectiveness of Registration Statement	A-65
6.7	Parent Net Cash Determination	A-66
6.8	HSR Act	A-66
Section 7.	ADDITIONAL CONDITIONS PRECEDENT TO OBLIGATIONS OF PARENT AND MERGER SUB	A-66
7.1	Accuracy of Representations	A-66
7.2	Performance of Covenants	A-66
7.3	Documents	A-66
7.4	FIRPTA Certificate	A-66
7.5	No Company Material Adverse Effect	A-67
7.6	Termination of Investor Agreements	A-67
7.7	Company Lock-Up Agreements	A-67
Section 8.	ADDITIONAL CONDITIONS PRECEDENT TO OBLIGATION OF THE COMPANY	A-67
8.1	Accuracy of Representations	A-67
8.2	Performance of Covenants	A-67
8.3	Documents	A-67
8.4	No Parent Material Adverse Effect	A-68
8.5	Parent Net Cash and Minimum Cash Amount	A-68
Section 9.	TERMINATION	A-68
9.1	Termination	A-68
9.2	Effect of Termination	A-70
9.3	Expenses: Termination Fees	A-70
Section 10.	MISCELLANEOUS PROVISIONS	A-72
10.1	Non-Survival of Representations and Warranties	A-72
10.2	Amendment	A-72
10.3	Waiver	A-73
10.4	Entire Agreement; Counterparts; Exchanges by Electronic Transmission	A-73
10.5	Applicable Law; Jurisdiction; WAIVER OF JURY TRIAL	A-73
10.6	Attorneys' Fees	A-73
10.7	Assignability	A-73
10.8	Notices	A-73
10.9	Cooperation	A-74
10.10	Severability	A-74
10.11	Other Remedies; Specific Performance	A-75
10.12	No Third Party Beneficiaries	A-75
10.13	Construction	A-75
10.14	Defined Terms Defined Elsewhere	A-76

[Table of Contents](#)

Exhibits:

Exhibit A	Certain Definitions
Exhibit B-1	Form of Company Stockholder Support Agreement
Exhibit B-2	Form of Parent Stockholder Support Agreement
Exhibit C	Form of Company Lock-Up Agreement
Exhibit D	Form of CVR Agreement

Schedules:

Schedule A	Company Signatories
Schedule I	Exchange Ratio
Schedule 5.11	Directors and Officers

AGREEMENT AND PLAN OF MERGER AND REORGANIZATION

THIS AGREEMENT AND PLAN OF MERGER AND REORGANIZATION (this “*Agreement*”) is made and entered into as of March 1, 2026, by and among **RALLYBIO CORPORATION**, a Delaware corporation (“*Parent*”), **FARMINGTON MERGER SUB, INC.**, a Delaware corporation and wholly-owned subsidiary of Parent (“*Merger Sub*”), and **CANDID THERAPEUTICS, INC.**, a Delaware corporation (the “*Company*”). Certain capitalized terms used in this Agreement are defined in **Exhibit A**.

RECITALS

A. Parent and the Company intend to effect a merger of Merger Sub with and into the Company (the “*Merger*”) in accordance with this Agreement and the DGCL. Upon consummation of the Merger, Merger Sub will cease to exist and the Company will become a wholly-owned subsidiary of Parent.

B. The Parties intend that the Merger qualify as a “reorganization” within the meaning of Section 368(a) of the Code, and by executing this Agreement, the Parties hereby adopt a “plan of reorganization” within the meaning of Treasury Regulations Sections 1.368-2(g) and 1.368-3(a).

C. The Parent Board has unanimously (i) determined that the Contemplated Transactions are fair to, advisable and in the best interests of Parent and its stockholders, (ii) authorized, approved and declared advisable this Agreement and the Contemplated Transactions, including the issuance of shares of Parent Common Stock to the stockholders of the Company pursuant to the terms of this Agreement, the change of control of Parent and other actions contemplated by this Agreement, and (iii) determined to recommend, upon the terms and subject to the conditions set forth in this Agreement, that the stockholders of Parent vote to approve the Parent Stockholder Matters.

D. The Merger Sub Board has unanimously (i) determined that the Contemplated Transactions are fair to, advisable, and in the best interests of Merger Sub and its sole stockholder, (ii) authorized, approved and declared advisable this Agreement and the Contemplated Transactions, and (iii) determined to recommend, upon the terms and subject to the conditions set forth in this Agreement, that Parent, as the sole stockholder of Merger Sub, votes to adopt this Agreement and thereby approve the Contemplated Transactions.

E. The Company Board has unanimously (i) determined that the Contemplated Transactions are fair to, advisable and in the best interests of the Company and its stockholders, (ii) authorized, approved and declared advisable this Agreement and the Contemplated Transactions, and (iii) determined to recommend, upon the terms and subject to the conditions set forth in this Agreement, that the stockholders of the Company vote to approve the Company Stockholder Matters.

F. Concurrently with the execution and delivery of this Agreement and as a condition and inducement to Parent’s willingness to enter into this Agreement, (a) the Company Signatories (solely in their capacity as stockholders of the Company), which represent the Required Company Stockholder Vote, are executing support agreements in favor of Parent in substantially the form attached hereto as **Exhibit B-1** (the “*Company Stockholder Support Agreement*”), and (b) the officers, directors and stockholders of the Company listed in **Section A-1** of the Company Disclosure Schedule (the “*Company Lock-Up Signatories*”) (solely in their capacity as stockholders of the Company) are executing lock-up agreements in substantially the form attached hereto as **Exhibit C** (the “*Company Lock-Up Agreement*”).

G. Concurrently with the execution and delivery of this Agreement and as a condition and inducement to the Company’s willingness to enter into this Agreement, the officers, directors and certain stockholders of Parent listed in **Section A-1** of the Parent Disclosure Schedule (solely in their capacity as stockholders of Parent) are executing support agreements in favor of the Company in substantially the form attached hereto as **Exhibit B-2** (the “*Parent Stockholder Support Agreement*”).

H. It is expected that, subject to [Section 4.5](#), within seven (7) Business Days after the Registration Statement is declared effective by the SEC, stockholders of the Company holding no less than the Required Company Stockholder Vote will execute and deliver an action by written consent in a form to be mutually agreed by Parent and the Company (each, a “**Company Stockholder Written Consent**” and collectively, the “**Company Stockholder Written Consents**”).

I. Concurrently with the execution and delivery of this Agreement, certain investors have executed a Subscription Agreement by and among the Company and the Persons named therein (representing an aggregate commitment no less than the Concurrent Investment Amount), pursuant to which such Persons have agreed to purchase the number of shares of Company Common Stock set forth therein immediately prior to the Effective Time in connection with the Concurrent Financing (the “**Subscription Agreement**”).

AGREEMENT

The Parties, intending to be legally bound, agree as follows:

Section 1. [DESCRIPTION OF TRANSACTION](#)

1.1 [The Merger](#). Upon the terms and subject to the conditions set forth in this Agreement, at the Effective Time, Merger Sub shall be merged with and into the Company, and the separate existence of Merger Sub shall cease. The Company will continue as the surviving corporation in the Merger (the “**Surviving Corporation**”).

1.2 [Effects of the Merger](#). The Merger shall have the effects set forth in this Agreement, the Certificate of Merger and in the applicable provisions of the DGCL. As a result of the Merger, the Company will become a wholly-owned subsidiary of Parent.

1.3 [Closing; Effective Time](#). Unless this Agreement is earlier terminated pursuant to the provisions of [Section 9.1](#), the consummation of the Merger (the “**Closing**”) shall take place remotely on the second (2nd) Business Day following the satisfaction or waiver of the last to be satisfied or waived of the conditions set forth in [Sections 6, 7 and 8](#) (other than those conditions that by their nature are to be satisfied at or immediately prior to the Closing, but subject to the satisfaction or waiver of each of such conditions), or at such other time, date and place as Parent and the Company may mutually agree in writing. The date on which the Closing actually takes place is referred to as the “**Closing Date**.” At the Closing, the Parties shall cause the Merger to be consummated by executing and filing with the Secretary of State of the State of Delaware a certificate of merger with respect to the Merger, satisfying the applicable requirements of the DGCL and in a form reasonably acceptable to Parent and the Company (the “**Certificate of Merger**”). The Merger shall become effective at the time of the filing of such Certificate of Merger with the Secretary of State of the State of Delaware or at such later time as may be specified in such Certificate of Merger with the consent of Parent and the Company (the time as of which the Merger becomes effective being referred to as the “**Effective Time**”).

1.4 [Certificate of Incorporation and Bylaws; Directors and Officers](#). At the Effective Time:

(a) the certificate of incorporation of the Surviving Corporation shall be amended and restated in its entirety to read identically to the certificate of incorporation of Merger Sub as in effect immediately prior to the Effective Time, until thereafter amended as provided by the DGCL and such certificate of incorporation; *provided, however*, that at or immediately prior to the Effective Time, the Surviving Corporation shall file an amendment to its certificate of incorporation to change the name of the Surviving Corporation to Candid Operating Company, Inc., or such other name as shall be mutually agreed upon by Parent and the Company prior to filing such amendment;

(b) the certificate of incorporation of Parent shall be identical to the certificate of incorporation of Parent immediately prior to the Effective Time, until thereafter amended as provided by the DGCL and such

certificate of incorporation; *provided, however*, that at or immediately prior to the Effective Time, Parent shall file an amendment to its certificate of incorporation (the “**Parent Charter Amendment**”) to (i) change the name of Parent to “Candid Therapeutics, Inc.”; (ii) effect the Nasdaq Reverse Split (the “**Reverse Stock Split Proposal**”); (iii) subject to the approval of the Authorized Share Increase Proposal, effect the Authorized Share Increase; and (iv) make such other changes as shall be mutually agreed upon by Parent and the Company prior to filing such amendment;

(c) the bylaws of the Surviving Corporation shall be amended and restated in their entirety to read identically to the bylaws of Merger Sub as in effect immediately prior to the Effective Time (except that the name of the Surviving Corporation in such bylaws shall reflect the name identified in [Section 1.4\(a\)](#)), until thereafter amended as provided by the DGCL and such bylaws;

(d) the Parties shall act in compliance with [Section 5.11](#) (including, to the extent necessary, procuring the resignation or removal of any directors or officers of Parent immediately prior to the Effective Time) so that, as of the Effective Time, the directors and officers of Parent, each to hold office in accordance with the certificate of incorporation and bylaws of Parent, shall consist of the Persons set forth in [Section 5.11](#) after giving effect to the provisions of [Section 5.11](#), or such other Persons as shall be designated by the Company in its sole discretion; and

(e) the directors and officers of the Surviving Corporation, each to hold office in accordance with the certificate of incorporation and bylaws of the Surviving Corporation, shall be the directors and officers of Merger Sub.

1.5 [Conversion of Shares](#).

(a) At the Effective Time, by virtue of the Merger and without any further action on the part of Parent, Merger Sub, the Company or any stockholder of the Company or Parent:

(i) any shares of Company Capital Stock held as treasury stock by the Company or held or owned by Parent, Merger Sub or any Subsidiary of Parent or the Company immediately prior to the Effective Time shall be canceled and retired and shall cease to exist, and no consideration shall be delivered in exchange therefor;

(ii) subject to [Section 1.5\(c\)](#), each share of Company Capital Stock outstanding immediately prior to the Effective Time (excluding shares of Company Capital Stock to be canceled pursuant to [Section 1.5\(a\)\(i\)](#), shares of Company Common Stock issued in the Concurrent Financing to be converted pursuant to [Section 1.5\(a\)\(iii\)](#) and Dissenting Shares), shall be automatically converted solely into the right to receive a number of shares of Parent Common Stock equal to the Exchange Ratio; and

(iii) subject to [Section 1.5\(c\)](#), the Company Common Stock issued in the Concurrent Financing shall be converted solely into the right to receive a number of shares of Parent Common Stock equal to the amount of Concurrent Financing Merger Shares multiplied by the percentage of the Concurrent Financing Proceeds represented by the applicable stockholder’s investment in the Concurrent Financing, as set forth on the Allocation Certificate.

(b) If any shares of Company Capital Stock outstanding immediately prior to the Effective Time are unvested or are subject to a repurchase option or a risk of forfeiture under any applicable restricted stock purchase agreement or other similar agreement with the Company, then the shares of Parent Common Stock issued in exchange for such shares of Company Capital Stock at the Effective Time will to the same extent be unvested and subject to the same repurchase option or risk of forfeiture, and such shares of Parent Common Stock shall accordingly be marked with appropriate legends. The Company shall take all actions that may be necessary to ensure that, from and after the Effective Time, Parent is entitled to exercise any such repurchase option or other right set forth in any such restricted stock purchase agreement or other agreement in accordance with its terms.

(c) No fractional shares of Parent Common Stock shall be issued in connection with the Merger, and no certificates or scrip for any such fractional shares shall be issued. Any holder of Company Capital Stock who would otherwise be entitled to receive a fraction of a share of Parent Common Stock (after aggregating all fractional shares of Parent Common Stock issuable to such holder) shall receive from Parent, in lieu of such fractional share: (i) one share of Parent Common Stock if the aggregate amount of fractional shares of Parent Common Stock such holder of Company Capital Stock would otherwise be entitled to is equal to or exceeds 0.50; or (ii) no shares of Parent Common Stock if the aggregate amount of fractional shares of Parent Common Stock such holder of Company Capital Stock would otherwise be entitled to is less than 0.50, with no cash being paid for any fractional share eliminated by such rounding.

(d) All Company Options outstanding immediately prior to the Effective Time under the Company Benefit Plan shall be treated in accordance with [Section 5.5\(a\)](#).

(e) Each share of common stock, \$0.0001 par value per share, of Merger Sub issued and outstanding immediately prior to the Effective Time shall be converted into and exchanged for one validly-issued, fully-paid and nonassessable share of common stock, \$0.0001 par value per share, of the Surviving Corporation. Each stock certificate or book-entry share of Merger Sub evidencing ownership of any such shares shall, as of the Effective Time, evidence ownership of such shares of common stock of the Surviving Corporation.

(f) If, between the time of calculating the Exchange Ratio and the Effective Time, the outstanding shares of Company Capital Stock or Parent Common Stock shall have been changed into, or exchanged for, a different number of shares or a different class, by reason of any stock dividend, subdivision, reclassification, recapitalization, split (including the Nasdaq Reverse Split to the extent such split has not been previously taken into account in calculating the Exchange Ratio), combination or exchange of shares or other like change, the Exchange Ratio shall, to the extent necessary, be equitably adjusted to reflect such change to the extent necessary to provide the holders of Company Capital Stock, Parent Common Stock and Company Options with the same economic effect as contemplated by this Agreement prior to such stock dividend, subdivision, reclassification, recapitalization, split (including the Nasdaq Reverse Split), combination or exchange of shares or other like change; *provided, however*, that nothing herein will be construed to permit the Company or Parent to take any action with respect to Company Capital Stock or Parent Common Stock, respectively, that is prohibited or not expressly permitted by the terms of this Agreement.

1.6 Calculation of Parent Net Cash.

(a) For the purposes of this Agreement, the “**Anticipated Closing Date**” shall be the date, as agreed upon by Parent and the Company at least fifteen (15) calendar days prior to the Parent Stockholders’ Meeting, to be the anticipated date for Closing. At least five (5) Business Days prior to the Parent Stockholders’ Meeting, Parent shall deliver to the Company a schedule (the “**Net Cash Schedule**”) setting forth Parent’s estimated calculation of Parent Net Cash, including each component thereof (the “**Net Cash Calculation**”) as of the Anticipated Closing Date prepared and certified by Parent’s Chief Financial Officer (or if there is no Chief Financial Officer, the principal accounting officer of Parent). Parent shall make available to the Company the work papers and back-up materials used or useful in preparing the Net Cash Schedule (including, with respect to Transaction Expenses, estimated final invoices and current accounts receivable from each advisor to Parent) and, as reasonably requested by the Company, Parent’s accountants and counsel at reasonable times and upon reasonable notice.

(b) Within three (3) Business Days after delivery of the Net Cash Schedule (the “**Response Date**”), the Company will have the right to dispute any part of the Net Cash Schedule by delivering a written notice to that effect to Parent (a “**Dispute Notice**”). Any Dispute Notice shall identify in reasonable detail the nature of any proposed revisions to the Net Cash Calculation.

(c) If on or prior to the Response Date, the Company (i) notifies Parent in writing that it has no objections to the Net Cash Calculation or (ii) fails to deliver a Dispute Notice as provided in [Section 1.6\(h\)](#), then the Net Cash Calculation as set forth in the Net Cash Schedule shall be deemed to have been finally determined for purposes of this Agreement and to represent Parent Net Cash as of the Anticipated Closing Date for purposes of this Agreement.

(d) If the Company delivers a Dispute Notice on or prior to the Response Date, then Representatives of both Parties shall promptly meet and attempt in good faith to resolve the disputed item(s) and negotiate an agreed-upon determination of Parent Net Cash, which agreed upon Parent Net Cash amount shall be deemed to have been finally determined for purposes of this Agreement and to represent Parent Net Cash as of the Anticipated Closing Date for purposes of this Agreement.

(e) If Parent and the Company are unable to negotiate an agreed-upon determination of Parent Net Cash as of the Anticipated Closing Date pursuant to [Section 1.6\(d\)](#) within three (3) calendar days after delivery of the Dispute Notice (or such other period as Parent and the Company may mutually agree upon), then Parent and the Company shall jointly select an independent auditor of recognized national standing (the “**Accounting Firm**”) to resolve any remaining disagreements as to the Net Cash Calculation. Parent shall promptly deliver to the Accounting Firm the work papers and back-up materials used in preparing the Net Cash Schedule, and Parent and the Company shall use commercially reasonable efforts to cause the Accounting Firm to make its determination within ten (10) calendar days of accepting its selection. The Company and Parent shall be afforded the opportunity to present to the Accounting Firm any material related to the unresolved disputes and to discuss the issues with the Accounting Firm; *provided, however*, that no such presentation or discussion shall occur without the presence of a Representative of each of the Company and Parent. The determination of the Accounting Firm shall be limited to the disagreements submitted to the Accounting Firm. The determination of the amount of Parent Net Cash made by the Accounting Firm shall be final and binding upon the Parties and shall be deemed to have been finally determined for purposes of this Agreement and to represent Parent Net Cash as of the Anticipated Closing Date for purposes of this Agreement, and the Parties shall delay the Closing until the resolution of the matters described in this [Section 1.6\(e\)](#). The fees and expenses of the Accounting Firm shall be allocated between Parent and the Company in the same proportion that the disputed amount of Parent Net Cash that was unsuccessfully disputed by such Party (as finally determined by the Accounting Firm) bears to the total disputed amount of Parent Net Cash. If this [Section 1.6\(e\)](#) applies as to the determination of Parent Net Cash as of the Anticipated Closing Date described in [Section 1.6\(a\)](#), upon resolution of the matter in accordance with this [Section 1.6\(e\)](#), the Parties shall not be required to determine Parent Net Cash again even though the Closing Date may occur later than the Anticipated Closing Date, except that either Party may request a re-determination of Parent Net Cash if the Closing Date is more than five (5) Business Days after the Anticipated Closing Date.

1.7 **Contingent Value Right.** Prior to the Effective Time, Parent shall declare a distribution (the “**Pre-Closing Distribution**”) to holders of (a) Parent Common Stock, (b) Pre-Funded Warrants (c) Parent restricted stock units and (d) In the Money Parent Options of one contingent value right (each, a “**CVR**”) for each outstanding (i) share of Parent Common Stock, (ii) Pre-Funded Warrant, (iii) Parent restricted stock units and (iv) In the Money Parent Option held by such holder as of the close of business on the record date described below, each representing the right to receive contingent payments upon the occurrence of certain events set forth in, and subject to and in accordance with the terms and conditions of, the Contingent Value Rights Agreement in the form attached hereto as **Exhibit D**, to be entered into between Parent and Computershare Trust Company, N.A. (the “**Rights Agent**”), with such revisions thereto requested by the Rights Agent that are not, individually or in the aggregate, materially detrimental to the holders of CVRs and reasonably acceptable to the Company and Parent (the “**CVR Agreement**”). The record date for the Pre-Closing Distribution shall be the last Business Day prior to the day on which the Effective Time occurs; *provided* that the Pre-Closing Distribution may be conditioned upon the occurrence of the Effective Time. In connection with the Pre-Closing Distribution, Parent shall cause the CVR Agreement to be duly authorized, executed and delivered by Parent and the Rights Agent.

1.8 **Closing of the Company’s Transfer Books.** At the Effective Time: (a) all shares of Company Capital Stock outstanding immediately prior to the Effective Time shall be treated in accordance with

Section 1.5(a), and all holders of certificates or book-entry shares representing shares of Company Capital Stock that were outstanding immediately prior to the Effective Time shall cease to have any rights as stockholders of the Company; and (b) the stock transfer books of the Company shall be closed with respect to all shares of Company Capital Stock outstanding immediately prior to the Effective Time. No further transfer of any such shares of Company Capital Stock shall be made on such stock transfer books after the Effective Time. If, after the Effective Time, a valid certificate previously representing any shares of Company Capital Stock outstanding immediately prior to the Effective Time (a “**Company Stock Certificate**”) is presented to the Exchange Agent or to the Surviving Corporation, such Company Stock Certificate shall be canceled and shall be exchanged as provided in Sections 1.5 and 1.9.

1.9 Surrender of Certificates.

(a) Prior to the Closing Date, Parent and the Company shall enter into an exchange agent agreement with Computershare Trust Company, N.A. (the “**Exchange Agent**”), in a form reasonably acceptable to the Company. At the Effective Time, Parent shall deposit with the Exchange Agent: (i) evidence of book-entry shares representing the Parent Common Stock issuable pursuant to Section 1.5(a); and (ii) cash sufficient to make payments in lieu of fractional shares in accordance with Section 1.5(c). The Parent Common Stock and cash amounts so deposited with the Exchange Agent, together with any dividends or distributions received by the Exchange Agent with respect to such shares, are referred to collectively as the “**Exchange Fund**.”

(b) Promptly after the Effective Time, the Parties shall cause the Exchange Agent to deliver to the Persons who were record holders of shares of Company Capital Stock that were converted into the right to receive the Merger Consideration instructions for effecting the surrender of any Company Stock Certificates, or uncertificated shares of Company Capital Stock, in exchange for shares of Parent Common Stock. Upon surrender of a Company Stock Certificate or other reasonable evidence of the ownership of uncertificated Company Capital Stock to the Exchange Agent for exchange, together with such other documents as may be reasonably required by the Exchange Agent or Parent (including a properly completed IRS Form W-9 or the appropriate version of IRS Form W-8, as applicable): (A) the holder of such Company Capital Stock shall be entitled to receive in exchange therefor book-entry shares representing the Merger Consideration (in a number of whole shares of Parent Common Stock) that such holder has the right to receive pursuant to the provisions of Section 1.5(a) (and cash in lieu of any fractional share of Parent Common Stock pursuant to the provisions of Section 1.5(c)); and (B) such Company Stock Certificate so surrendered shall be canceled. Until surrendered as contemplated by this Section 1.9(b), each Company Stock Certificate shall be deemed, from and after the Effective Time, to represent only the right to receive book-entry shares of Parent Common Stock representing the Merger Consideration (and cash in lieu of any fractional share of Parent Common Stock). If any Company Stock Certificate shall have been lost, stolen or destroyed, Parent may, in its discretion and as a condition precedent to the delivery of any shares of Parent Common Stock, require the owner of such lost, stolen or destroyed Company Stock Certificate to provide an applicable affidavit with respect to such Company Stock Certificate and post a bond indemnifying Parent against any claim suffered by Parent related to the lost, stolen or destroyed Company Stock Certificate as Parent may reasonably request. In the event of a transfer of ownership of a Company Stock Certificate that is not registered in the transfer records of the Company, payment of the Merger Consideration may be made to a Person other than the Person in whose name such Company Stock Certificate so surrendered is registered if such Company Stock Certificate shall be properly endorsed or otherwise be in proper form for transfer and the Person requesting such payment shall pay any transfer or other Taxes required by reason of the transfer or establish to the reasonable satisfaction of Parent that such Taxes have been paid or are not applicable. The Merger Consideration and any dividends or other distributions as are payable pursuant to Section 1.9(c) shall be deemed to have been in full satisfaction of all rights pertaining to Company Capital Stock formerly represented by such Company Stock Certificates.

(c) No dividends or other distributions declared or made with respect to Parent Common Stock with a record date on or after the Effective Time shall be paid to the holder of any unsurrendered Company Stock Certificate with respect to the shares of Parent Common Stock that such holder has the right to receive in the

Merger until such holder surrenders such Company Stock Certificate or provides an affidavit of loss, theft or destruction in lieu thereof in accordance with this [Section 1.9](#) together with such other documents as may be reasonably required by the Exchange Agent or Parent (at which time (or, if later, on the applicable payment date) such holder shall be entitled, subject to the effect of applicable abandoned property, escheat or similar Laws, to receive all such dividends and distributions, without interest).

(d) Any portion of the Exchange Fund that remains undistributed to holders of Company Capital Stock as of the date that is one (1) year after the Closing Date shall be delivered to Parent upon demand, and any holders of Company Stock Certificates who have not theretofore surrendered their Company Stock Certificates in accordance with this [Section 1.9](#) shall thereafter look only to Parent for satisfaction of their claims for Parent Common Stock, cash in lieu of fractional shares of Parent Common Stock and any dividends or distributions with respect to shares of Parent Common Stock.

(e) No Party to this Agreement shall be liable to any holder of any Company Capital Stock or to any other Person with respect to any shares of Parent Common Stock (or dividends or distributions with respect thereto) or for any cash amounts delivered to any public official pursuant to any applicable abandoned property Law, escheat Law or similar Law.

1.10 [Appraisal Rights.](#)

(a) Notwithstanding any provision of this Agreement to the contrary, shares of Company Capital Stock that are outstanding immediately prior to the Effective Time and which are held by stockholders who have exercised and perfected appraisal rights for such shares of Company Capital Stock in accordance with the DGCL (collectively, the “**Dissenting Shares**”) shall not be converted into or represent the right to receive the Merger Consideration described in [Section 1.5](#) attributable to such Dissenting Shares. Such stockholders shall be entitled to receive payment of the appraised value of such shares of Company Capital Stock held by them in accordance with the DGCL, unless and until such stockholders fail to perfect or effectively withdraw or otherwise lose their appraisal rights under the DGCL. All Dissenting Shares held by stockholders who shall have failed to perfect or shall have effectively withdrawn or lost their right to appraisal of such shares of Company Capital Stock under the DGCL (whether occurring before, at or after the Effective Time) shall thereupon be deemed to be converted into and to have become exchangeable for, as of the Effective Time, the right to receive the Merger Consideration, without interest, attributable to such Dissenting Shares upon their surrender in the manner provided in [Sections 1.5](#) and [1.9](#).

(b) The Company shall give Parent prompt written notice of any demands by dissenting stockholders received by the Company, withdrawals of such demands and any other instruments served on the Company and any material correspondence received by the Company in connection with such demands, and Parent shall have the right to participate in all negotiations and proceedings with respect to such demands. The Company shall not, except with Parent’s prior written consent (which consent shall not be unreasonably withheld, conditioned or delayed), make any payment with respect to, or settle or offer to settle, any such demands, or approve any withdrawal of any such demands or agree to do any of the foregoing.

1.11 [Further Action.](#) If, at any time after the Effective Time, any further action is determined by the Surviving Corporation to be necessary or desirable to carry out the purposes of this Agreement or to vest the Surviving Corporation with full right, title and possession of and to all rights and property of the Company, then the officers and directors of the Surviving Corporation shall be fully authorized, and shall use their and its commercially reasonable efforts (in the name of the Company, in the name of Merger Sub, in the name of the Surviving Corporation and otherwise) to take such action.

1.12 [Withholding.](#) The Parties and the Exchange Agent shall be entitled to deduct and withhold from the consideration otherwise payable pursuant to this Agreement to any holder of Company Capital Stock or any other Person such amounts as such Party or the Exchange Agent reasonably determines it is required to deduct

and withhold under the Code or any other Law with respect to the making of such payment. To the extent that amounts are so deducted and withheld and paid to the appropriate Governmental Body, such deducted and withheld amounts shall be treated for all purposes of this Agreement as having been paid to the Person in respect of whom such deduction and withholding were made.

Section 2. REPRESENTATIONS AND WARRANTIES OF THE COMPANY

Except as set forth in the corresponding section or subsection of the disclosure letter delivered by the Company to Parent (the “**Company Disclosure Schedule**”) (it being agreed that (i) the disclosure of any information in a particular section or subsection of the Company Disclosure Schedule shall be deemed disclosure of such information with respect to any other section or subsection of this Agreement to which the relevance of such information is readily apparent on its face and (ii) where applicable, references to the Company in this **Section 2** shall include the Company’s Subsidiaries), the Company represents and warrants to Parent and Merger Sub as follows:

2.1 Organization, Standing and Power

(a) The Company (i) is a corporation duly incorporated, validly existing and in good standing under the Laws of Delaware, (ii) has all requisite corporate or similar power and authority to own, lease and operate its properties and to carry on its business as now being conducted and (iii) is duly qualified or licensed to do business and is in good standing in each jurisdiction in which the nature of its business or the ownership, leasing or operation of its properties makes such qualification or licensing necessary, except in the case of clause (iii), where the failure to be so qualified or licensed or in good standing, individually or in the aggregate, has not had and would not reasonably be expected to have a Company Material Adverse Effect.

(b) The Company has previously made available to Parent true and complete copies of the Company’s Amended and Restated Certificate of Incorporation (the “**Company Charter**”) and Bylaws (the “**Company Bylaws**”), in each case as amended to the date of this Agreement, and each as so delivered is in full force and effect. The Company is not in violation in any material respects of any provision of the Company Charter or Company Bylaws.

2.2 Capital Stock

(a) The authorized capital stock of the Company as of the date of this Agreement consists of (i) 574,000,000 shares of Company Common Stock, 141,521,816 of which have been issued and are outstanding as of the date hereof, and (ii) 367,005,749 shares of Company Preferred Stock, of which 105,000,000 shares are designated as Series A-1 Preferred Stock, all of which are issued and outstanding, 89,999,985 shares are designated as Series A-2 Preferred Stock, all of which are issued and outstanding, and 172,005,764 shares are designated as Company Series B Preferred Stock, all of which are issued and outstanding as of the date hereof. As of the date hereof, no shares of Company Common Stock were held by the Company in its treasury. All outstanding shares of capital stock of the Company are, and all shares reserved for issuance will be, when issued, duly authorized, validly issued, fully paid and nonassessable and not subject to any preemptive rights. The Company does not have outstanding any bonds, debentures, notes or other obligations having the right to vote (or convertible into, or exchangeable or exercisable for, securities having the right to vote) with the stockholders of the Company on any matter. Except as set forth above in this **Section 2.2(a)**, as of the date hereof, there are no outstanding (A) shares of capital stock or other voting securities or equity interests of the Company, (B) securities of the Company convertible into or exchangeable or exercisable for shares of capital stock of the Company or other voting securities or equity interests of the Company, (C) stock appreciation rights, “phantom” stock rights, performance units, interests in or rights to the ownership or earnings of the Company or other equity equivalent or equity-based awards or rights, (D) subscriptions, options, warrants, calls, commitments, Contracts or other rights to acquire from the Company, or obligations of the Company to issue, any shares of capital stock of the Company, voting securities, equity interests or securities convertible into or exchangeable or exercisable

for capital stock or other voting securities or equity interests of the Company or rights or interests described in the preceding clause (C), or (E) obligations of the Company to repurchase, redeem or otherwise acquire any such securities or to issue, grant, deliver or sell, or cause to be issued, granted, delivered or sold, any such securities. There are no stockholder agreements, voting trusts or other agreements or understandings to which the Company is a party or of which the Company has knowledge with respect to the holding, voting, registration, redemption, repurchase or disposition of, or that restrict the transfer of, any capital stock or other voting securities or equity interests of the Company.

(b) Section 2.2(b) of the Company Disclosure Schedule sets forth a true and complete list, as of the date hereof, of all holders of rights to purchase or receive shares of Company Common Stock or similar rights (collectively, “**Company Stock Awards**”), indicating as applicable, with respect to each Company Stock Award then outstanding, the type of award (e.g., incentive stock option, non-statutory stock option, restricted stock unit, etc.), the number of shares of Company Common Stock subject to such Company Stock Award, the name of the plan under which such Company Stock Award was granted, the date of grant, exercise or purchase price, vesting schedule, payment schedule (if different from the vesting schedule) and expiration thereof. Each Company Option was granted with a per share exercise price that was not less than the fair market value of a share of Company Common Stock on the date such Company Option was granted and is exempt from the requirements of Section 409A of the Code. The Company has made available to Parent a true and complete copy of the forms of all award agreements evidencing outstanding Company Stock Awards. The Company does not sponsor, maintain or administer any employee or director stock option, stock purchase or equity compensation plan or arrangement other than the Company Benefit Plans. As of the date hereof, the Company is under no obligation to issue shares of Company Common Stock pursuant to any employee or director stock option, stock purchase or equity compensation plan or arrangement, other than in connection with the exercise of outstanding Company Stock Awards.

2.3 Subsidiaries. Section 2.3 of the Company Disclosure Schedule sets forth a true and complete list of each Subsidiary of the Company, including its jurisdiction of incorporation or formation. Each of the Company’s Subsidiaries (a) is an entity duly organized, validly existing and in good standing under the Laws of the jurisdiction of its organization, (b) has all requisite corporate or similar power and authority to own, lease and operate its properties and to carry on its business as now being conducted and (c) is duly qualified or licensed to do business and is in good standing in each jurisdiction in which the nature of its business or the ownership, leasing or operation of its properties makes such qualification or licensing necessary, except in the case of clause (c), where the failure to be so qualified or licensed or in good standing, individually or in the aggregate, has not had and would not reasonably be expected to have a Company Material Adverse Effect. All outstanding shares of capital stock and other voting securities or equity interests of each such Subsidiary are owned, directly or indirectly, by the Company, free and clear of all Encumbrances other than Permitted Encumbrances of the Company and its Subsidiaries. Except for the capital stock of, or other equity or voting interests in, its Subsidiaries, the Company does not own, directly or indirectly, any equity, membership interest, partnership interest, joint venture interest, or other equity or voting interest in, or any interest convertible into, exercisable or exchangeable for any of the foregoing, nor is it under any current or prospective obligation to form or participate in, provide funds to, make any loan, capital contribution, guarantee, credit enhancement or other investment in any Person. Neither the Company nor any of its Subsidiaries has, at any time, been a general partner of, or has otherwise been liable for any of the debts or other obligations of, any general partnership, limited partnership or other Entity.

2.4 Authority.

(a) The Company has all necessary corporate power and authority to execute, deliver and perform its obligations under this Agreement and, subject to the receipt of the Required Company Stockholder Vote, to consummate the Contemplated Transactions. The execution, delivery and performance of this Agreement by the Company and the consummation by the Company of the Contemplated Transactions have been duly authorized by all necessary corporate action on the part of the Company and no other corporate proceedings on the part of

the Company are necessary to approve this Agreement or to consummate the Merger and the other Contemplated Transactions, subject, in the case of the consummation of the Merger, to the receipt of the Required Company Stockholder Vote. This Agreement has been duly executed and delivered by the Company and, assuming the due authorization, execution and delivery by Parent and Merger Sub, constitutes a valid and binding obligation of the Company, enforceable against the Company in accordance with its terms (subject to the Enforceability Exceptions).

(b) The Company Board, by unanimous written consent duly adopted resolutions (i) determining that the terms of this Agreement, the Merger and the other Contemplated Transactions are fair to and in the best interests of the Company's stockholders, (ii) approving and declaring advisable this Agreement and the Contemplated Transactions, including the Merger, (iii) directing that this Agreement be submitted to the stockholders of the Company for adoption, and (iv) resolving to recommend that the Company's stockholders vote in favor of the adoption of this Agreement and the Contemplated Transactions, including the Merger, which resolutions have not been subsequently rescinded, modified or withdrawn in any way.

(c) The affirmative vote (or written consent) of the holders of a majority of the outstanding shares of (i) Company Preferred Stock, voting together as a single class on an as-converted to Company Common Stock basis (which majority shall include (A) the holders of a majority of the outstanding shares of Company Series B Preferred Stock, exclusively and as a separate class on an as-converted to Company Common Stock basis and (B) the holders of a majority of the outstanding shares of Company Series A Preferred Stock, together as a single class on an as-converted to Company Common Stock basis), (ii) Company Common Stock, voting together as a single class, and (iii) Company Capital Stock, voting as a single class on an as converted to Company Common Stock basis (the "**Required Company Stockholder Vote**") and the Investor Agreement Termination Consent, are the only votes of the holders of any class or series of the Company Capital Stock or other Company securities required in connection with the consummation of the Merger and the other Contemplated Transactions (except with respect to the Concurrent Financing). Other than the Required Company Stockholder Vote and the Investor Agreement Termination Consent (and except with respect to the Concurrent Financing), no vote of the holders of any class or series of the Company's capital stock or other securities is required in connection with the consummation of any of the Contemplated Transactions to be consummated by the Company.

2.5 No Conflict: Consents and Approvals

(a) Subject to obtaining the Required Company Stockholder Vote, the execution, delivery and performance of this Agreement by the Company does not, and the consummation of the Merger and the other Contemplated Transactions and compliance by the Company with the provisions hereof will not, contravene, conflict with, or result in any violation or breach of, or default (with or without notice or lapse of time, or both) under, or give rise to a right of, or result in, termination, cancellation, modification or acceleration of any obligation or to the loss of a benefit under, or result in the creation of any pledge, claim, lien, charge, option, right of first refusal, encumbrance or security interest of any kind or nature whatsoever (including any limitation on voting, sale, transfer or other disposition or exercise of any other attribute of ownership) (collectively, "**Encumbrances**") in or upon any of the properties, assets or rights of the Company under, or give rise to any increased, additional, accelerated or guaranteed rights or entitlements under, or require any consent, waiver or approval of any Person pursuant to, any provision of (i) the Company Charter or Company Bylaws, (ii) any Company Material Contract to which the Company is a party or by which the Company or any of its properties or assets may be bound or (iii) subject to the governmental filings and other matters referred to in Section 2.5(b), any material Law applicable to the Company or by which the Company or any of its properties or assets may be bound, except as, in the case of clauses (ii) and (iii), as individually or in the aggregate, has not had and would not reasonably be expected to have a Company Material Adverse Effect.

(b) No consent, approval, order or authorization of, or registration, declaration, filing with or notice to, any Governmental Body is required by or with respect to the Company in connection with the execution, delivery and performance of this Agreement by the Company or the consummation by the Company

of the Merger and the other Contemplated Transactions or compliance with the provisions hereof, except for (i) the filing with the SEC of such reports under Section 13(a) or 15(d) of the Exchange Act, as may be required in connection with this Agreement and the Contemplated Transactions, (ii) such other filings and reports as may be required pursuant to the applicable requirements of the Securities Act, the Exchange Act and any other applicable state or federal securities, takeover and “blue sky” laws or Nasdaq, (iii) the filing of the Certificate of Merger with the Delaware Secretary of State as required by the DGCL, (iv) as may be required under applicable Antitrust Laws and (v) such other consents, approvals, orders, authorizations, registrations, declarations, filings or notices the failure of which to be obtained or made, individual or in the aggregate, have not had and would not reasonably be expected to have a Company Material Adverse Effect.

2.6 Financial Statements.

(a) The Company has made available to Parent true and complete copies of (i) the audited financial statements of the Company as of December 31, 2024 and (ii) the unaudited financial statements of the Company as of September 30, 2025 (the “**Company Financial Statements**”). The Company Financial Statements (i) are correct and complete in all material respects and have been prepared in accordance with the books and records of the Company, (ii) have been prepared in accordance with GAAP (except for, in the case of unaudited statements, the absence of related notes) and (iii) fairly present, in all material respects, the financial position, of the Company as at the dates thereof and the Company’s respective consolidated results of operations and cash flows for the periods then ended, except as otherwise noted therein and subject, in the case of any unaudited financial statements, to normal and recurring year-end adjustments that will not, individually or in the aggregate, be material.

(b) The books of account and financial records of the Company are maintained in accordance with sound accounting practice.

(c) The Company maintains a system of internal accounting controls consistent with the practices of similarly situated private companies designed to provide reasonable assurance that: (i) transactions are executed in accordance with management’s general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of the financial statements of the Company in conformity with GAAP and to maintain accountability of the Company’s assets, (iii) access to the Company’s assets is permitted only in accordance with management’s general or specific authorization, and (iv) the recorded accountability for the Company’s assets is compared with the existing assets at regular intervals and appropriate action is taken with respect to any differences. The Company maintains internal control over financial reporting that provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP.

(d) Since the Company’s inception, the Company has not identified (i) any significant deficiency or material weakness in the design or operation of the system of internal accounting controls utilized by the Company, (ii) any fraud, whether or not material, that involves the Company, the Company’s management, other employees or advisors who have a role in the preparation of financial statements or the internal accounting controls utilized by the Company or (iii) any claim or allegation regarding any of the foregoing.

2.7 No Undisclosed Liabilities. As of the date hereof, the Company does not have any liabilities or obligations of any nature, whether accrued, absolute, contingent or otherwise, known or unknown, whether due or to become due and whether or not required to be recorded or reflected on a balance sheet under GAAP, except (a) to the extent accrued or reserved against in the balance sheet of the Company as of September 30, 2025 (the “**Company Balance Sheet**”), (b) for liabilities and obligations incurred by the Company in the Ordinary Course of Business since the date of the Company Balance Sheet, (c) liabilities and obligations related to the performance of obligations of the Company under Company Material Contracts, (d) liabilities and obligations incurred in connection with the Contemplated Transactions and (e) liabilities and obligations that are not material to the Company.

2.8 Absence of Certain Changes or Events. From the date of the Company Balance Sheet to the date hereof, except in connection with the execution of this Agreement and the consummation of the Contemplated Transactions, (x) the Company has conducted its business only in the Ordinary Course of Business; (y) there has not been any change, event or development or prospective change, event or development that, individually or in the aggregate, has had or would reasonably be expected to have a Company Material Adverse Effect; and (z) the Company has not:

(a) (i) declared, set aside or paid any dividends on, or made any other distributions (whether in cash, stock or property) in respect of any of its capital stock or other equity interests, (ii) purchased, redeemed or otherwise acquired shares of capital stock or other equity interests of the Company or any options, warrants, or rights to acquire any such shares or other equity interests, or (iii) split, combined, reclassified or otherwise amended the terms of any of its capital stock or other equity interests or issued or authorized the issuance of any other securities in respect of, in lieu of or in substitution for shares of its capital stock or other equity interests;

(b) amended or otherwise changed, or authorized or proposed to amend or otherwise change, its certificate of incorporation or by-laws (or similar organizational documents) except as required to give effect to the Contemplated Transactions;

(c) adopted or entered into a plan of complete or partial liquidation, dissolution, restructuring, recapitalization or reorganization or effected or been a party to any merger, consolidation, share exchange, business combination, recapitalization, reclassification of shares, stock split, reverse stock split or similar transaction except, for the avoidance of doubt, the Contemplated Transactions;

(d) entered into any material transaction in connection with the Contemplated Transactions;

(e) acquired any material asset or sold, leased or otherwise irrevocably disposed of any of its material assets or properties, or granted any Encumbrance (other than Permitted Encumbrances) with respect to such assets or properties;

(f) sold, assigned, transferred, licensed, sublicensed or otherwise disposed of any material Intellectual Property owned or purported to be owned by, assigned to, or exclusively licensed by, the Company, except for the grant of non-exclusive licenses to such Intellectual Property in the Ordinary Course of Business;

(g) changed its financial or Tax accounting methods, principles or practices, except insofar as may have been required by a change in GAAP or applicable Law, or revalued any of its material assets; or

(h) agreed, resolved or committed to do any of the foregoing.

2.9 Litigation. As of the date hereof, there is no Legal Proceeding (or basis therefor) pending or, to the knowledge of the Company, threatened against the Company, its properties or assets, or any present or former officer, director or employee of the Company in such individual's capacity as such, other than any Legal Proceeding that (a) does not involve an amount in controversy in excess of \$1,000,000 and (b) does not seek material injunctive or other nonmonetary relief. Neither the Company nor any of its properties or assets is subject to any outstanding judgment, order, injunction, rule or decree of any Governmental Body. There is no Legal Proceeding pending or, to the knowledge of the Company, threatened seeking to prevent, hinder, modify, delay or challenge the Merger or any of the other Contemplated Transactions.

2.10 Compliance with Laws. The Company is, and since July 1, 2024 has been, in compliance in all material respects with all Laws applicable to its businesses, operations, properties or assets. The Company has not received, since July 1, 2024, a notice or other written communication alleging or relating to a possible material violation of any Law applicable to its businesses, operations, properties, assets or Company Products (as defined below). The Company has in effect all material permits, licenses, variances, exemptions, applications,

approvals, clearances, authorizations, registrations, formulary listings, consents, operating certificates, franchises, orders and approvals (collectively, “*Permits*”) of all Governmental Bodies necessary for it to own, lease or operate its properties and assets and to carry on its businesses and operations as now conducted, and there has occurred no material violation of, material default (with or without notice or lapse of time or both) or other event that would give others any right of revocation, non-renewal, adverse modification or cancellation of, with or without notice or lapse of time or both, any such Permit, nor would any such revocation, non-renewal, adverse modification or cancellation result from the consummation of the Contemplated Transactions.

2.11 Health Care Regulatory Matters.

(a) The Company, and to the knowledge of the Company, each of its directors, officers, employees, agents (while acting in such capacity), contract manufacturers, contract research organizations and clinical investigators is, and since July 1, 2024 has been, in material compliance with all health care Laws to the extent applicable to the Company or any of its product candidates or activities, including, but not limited to the following: (i) the Federal Food, Drug & Cosmetic Act; (ii) the Public Health Service Act (42 U.S.C. § 201 et seq.); (iii) fraud and abuse Laws such as the federal Anti-Kickback Statute (42 U.S.C. § 1320a-7b(b)); the civil monetary penalties law (42 U.S.C. § 1320a-7a); the civil False Claims Act (31 U.S.C. § 3729 et seq.); the administrative False Claims Law (42 U.S.C. § 1320a-7b(a)); the Criminal Health Care Fraud Statute (18 U.S.C. § 1347); (iv) the exclusion laws (42 U.S.C. § 1320a-7); and (v) any Laws regulating the ownership, testing, research, development, manufacture, quality, safety, accreditation, packaging, storage, use, distribution, labeling, promotion, sale, offer for sale, import, export or disposal of pharmaceutical products, including licensure required for any such activities (“*Health Care Laws*”). The Company has not engaged in any voluntary disclosure or self-disclosure to any Governmental Body concerning any alleged, potential or actual non-compliance with any applicable Health Care Laws, and to the Company’s knowledge no such self-disclosure to any Governmental Body is warranted. To the knowledge of the Company, there are no other facts or circumstances that reasonably would be expected to give rise to any material liability under any Health Care Laws.

(b) The Company is not party to any corporate integrity agreements, monitoring agreements, consent decrees, settlement orders, or similar agreements with or imposed by any Governmental Body.

(c) All applications, notifications, submissions, information and reports submitted in connection with any and all requests for a Permit from the U.S. Food and Drug Administration (“*FDA*”) or other Governmental Body relating to products that are regulated as drugs, biologics, or other medical products under Health Care Laws, including the drug and biological candidates, compounds or products being researched, tested, stored, developed, labeled, manufactured, packed and/or distributed by the Company (“*Company Products*”), including, without limitation, investigational new drug applications, when submitted to the FDA or other Governmental Body were true, complete and correct in all material respects as of the date of submission and any necessary or required updates, changes, corrections or modification to such applications, submissions, information and data have been submitted to the FDA or other Governmental Body. The Company does not have knowledge of any facts or circumstances that would be reasonably likely to lead to the revocation, suspension, limitation, or cancellation of a material Permit required under Health Care Laws.

(d) All preclinical studies and clinical trials conducted by or, to the knowledge of the Company, on behalf of the Company have been since July 1, 2024, and if still pending are being, conducted in material compliance with research protocols and all applicable Health Care Laws. To the Company’s knowledge, no clinical trial conducted by or on behalf of the Company has been conducted using any clinical investigators who have been disqualified, debarred or excluded from healthcare programs. Since July 1, 2024, no clinical trial conducted by or on behalf of the Company has been terminated or suspended prior to completion, and no clinical investigator who has participated or is participating in, or institutional review board that has or has had jurisdiction over, a clinical trial conducted by or on behalf of the Company has placed a partial or full clinical hold order on, or otherwise terminated, delayed or suspended, such a clinical trial at a clinical research site based

on an actual or alleged lack of safety or efficacy of any Company Product or a failure to conduct such clinical trial in compliance with applicable Health Care Laws.

(e) All manufacturing operations conducted by or, to the knowledge of the Company, for the benefit of the Company have been and are being conducted in material compliance with all Permits and all applicable Health Care Laws.

(f) The Company has not received any written communication from any Governmental Body that relates to an alleged material violation of any Health Care Laws, including any notification of any pending or threatened claim, suit, proceeding, hearing, enforcement, investigation, arbitration, import detention or refusal, FDA Warning Letter or Untitled Letter, or any similar action by a Governmental Body relating to any Health Care Laws.

(g) There have been no seizures, withdrawals, recalls, detentions, or suspensions of manufacturing, testing, or distribution relating to the Company Products required or requested by a Governmental Body, or other notice of action relating to an alleged lack of safety, efficacy, or regulatory compliance of the Company Products, or any adverse experiences relating to the Company Products that have been reported to FDA or another Governmental Body ("**Company Safety Notices**"), and, to the knowledge of the Company, there are no facts or circumstances that reasonably would be expected to give rise to a Company Safety Notice.

(h) Neither the Company, nor, to the knowledge of the Company, any officer, employee or agent of the Company has made an untrue statement of a material fact or fraudulent or misleading statement to a Governmental Body, failed to disclose a material fact required to be disclosed to a Governmental Body, or committed an act, made a statement, or failed to make a statement that would reasonably be expected to provide a basis for the FDA to invoke its policy respecting the "Fraud, Untrue Statements of Material Facts, Bribery, and Illegal Gratuities" Final Policy set forth in 56 Fed. Reg. 46191 (September 10, 1991) and any amendments thereto (the "**FDA Ethics Policy**"). Neither the Company, nor, to the knowledge of the Company, any officer, employee or agent of the Company is or has been under investigation resulting from any allegedly untrue, fraudulent, misleading, or false statement or omission, including data fraud, or had any action pending or threatened relating to the FDA Ethics Policy.

(i) All reports, documents, claims, Permits and notices required to be filed, maintained or furnished to the FDA or any Governmental Body by the Company have been so filed, maintained or furnished, except where failure to file, maintain or furnish such reports, documents, claims, Permits or notices has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. All such reports, documents, claims, Permits and notices were true and complete in all material respects on the date filed (or were corrected in or supplemented by a subsequent filing).

(j) Neither the Company nor, to the knowledge of the Company, any officer, employee, or agent of the Company has been convicted of any crime or engaged in any conduct that has resulted, or would reasonably be expected to result, in listing on the General Services Administrative System for Award Management or other published list of parties excluded from federal procurement programs and non-procurement programs or in debarment under applicable Law or, including, without limitation, 21 U.S.C. § 335a, or exclusion under 42 U.S.C. § 1320a-7, or any other statutory provision or similar law applicable in other jurisdictions in which the Company Products are sold or intended to be sold. Neither the Company nor, to the knowledge of the Company, any officer, employee or agent of the Company, has been excluded from participation in any federal health care program or convicted of any crime or engaged in any conduct for which such Person could be excluded from participating in any federal health care program under Section 1128 of the Social Security Act of 1935, or any similar Health Care Law or program.

(k) The Company is not, and has not been, a "business associate," "covered entity," or "subcontractor" under Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. § 1320d et seq.),

as amended by the Health Information Technology for Economic and Clinical Health Act (42 U.S.C. § 17921 et seq.) (“**HIPAA**”) as those terms are defined in 42 C.F.R. § 160.103 and, since July 1, 2024, has been in material compliance with any Privacy Laws applicable to health information, including HIPAA, in the Company’s possession to the extent applicable to the Company.

2.12 Benefit Plans.

(a) **Section 2.12(a)** of the Company Disclosure Schedule contains a true and complete list of each material Company Benefit Plan (other than (i) form equity award agreements and awards made pursuant to such form(s), (ii) offer letters, employment agreements or contracts that may be terminated by the Company without notice and do not contain any severance, change in control, retention bonus, or vesting acceleration provisions, and (iii) consultant contracts or arrangements that may be terminated by the Company with no more than 30 days’ notice without penalty). For purposes of this Agreement, “**Company Benefit Plan**” means each “employee benefit plan” (within the meaning of section 3(3) of ERISA, whether or not subject to ERISA), and each stock purchase, stock option, phantom stock or other equity-based plan or award, severance, employment, change-in-control, fringe benefit, bonus, incentive, deferred compensation, supplemental retirement, health, life, or disability insurance, dependent care and each other employee benefit and compensation plan, agreement, program, policy or other arrangement, whether or not subject to ERISA, whether formal or informal, written or oral, legally binding or not, under which any current or former employee, director or individual consultant of the Company (or any of their dependents) has any present or future right to compensation or benefits or the Company sponsors or maintains, is making contributions to or has any present or future liability or obligation (contingent or otherwise) or with respect to which it is otherwise bound. The Company has provided or made available to Parent a current, accurate and complete copy of each material Company Benefit Plan, or if such Company Benefit Plan is not in written form, a written summary of all of the material terms of such Company Benefit Plan.

(b) Neither the Company nor any member of its Controlled Group (defined as any organization which is, or was at the applicable time, a member of a controlled, affiliated or otherwise related group of entities within the meaning of Code Section 414(b), (c), (m) or (o)) has ever sponsored, maintained, contributed to or been required to contribute to or incurred any liability (contingent or otherwise) with respect to: (i) a “multiemployer plan” (within the meaning of ERISA section 3(37)), (ii) an “employee pension benefit plan,” within the meaning of Section 3(2) of ERISA (“**Pension Plan**”) that is subject to Title IV of ERISA or Section 412 of the Code, or (iii) a Pension Plan which is a “multiple employer plan” as defined in Section 413 of the Code.

(c) With respect to the Company Benefit Plans:

(i) each Company Benefit Plan complies in all material respects with its terms and with the applicable provisions of ERISA and the Code and all other applicable legal requirements;

(ii) each Company Benefit Plan intended to be qualified under Section 401(a) of the Code is so qualified and has received a favorable determination, advisory and/or opinion letter, as applicable, from the IRS that it is so qualified and nothing has occurred to the knowledge of the Company since the date of such letter that would reasonably be expected to result in the loss of the sponsor’s ability to rely upon such letter or of the qualified status of such Company Benefit Plan;

(iii) there is no material Legal Proceeding (including any investigation, audit or other administrative proceeding) by the Department of Labor, the Pension Benefit Guaranty Corporation (the “**PBGC**”), the IRS or any other Governmental Body or by any plan participant or beneficiary pending, or to the knowledge of the Company, threatened, relating to the Company Benefit Plans (other than routine claims for benefits);

(iv) none of the Company Benefit Plans currently provides or represents any liability to provide post-termination or retiree welfare benefits to any person for any reason, except as may be required by

Section 601 et seq. of ERISA and Section 4980B(b) of the Code or other applicable similar law regarding health care coverage continuation (collectively, “**COBRA**”), and none of the Company or any members of its Controlled Group has any liability to provide post-termination or retiree welfare benefits to any person or ever represented, promised or contracted to any employee or former employee of the Company (either individually or to Company employees as a group) or any other person that such employee(s) or other person would be provided with post-termination or retiree welfare benefits, except to the extent required by statute or except with respect to a contractual obligation to reimburse any premiums such person may pay in order to obtain health coverage under COBRA;

(v) each Company Benefit Plan is subject exclusively to United States Law; and

(vi) the execution and delivery of this Agreement and the consummation of the Merger will not, either alone or in combination with any other event, (A) entitle any current or former employee, officer, director or individual consultant of the Company to severance pay or any other termination payment or other compensation or benefits (B) accelerate the time of payment or vesting, or increase the amount of or otherwise enhance any benefit due to any such employee, officer, director or consultant or (C) result in a requirement to fund or set aside assets with respect to any Company Benefit Plan.

(d) The Company is not a party to any agreement, Contract, arrangement or plan (including any Company Benefit Plan) that may reasonably be expected to result, separately or in the aggregate, in connection with the Contemplated Transactions (either alone or in combination with any other events), in the payment of any “parachute payments” within the meaning of Section 280G of the Code. There is no agreement, plan or other arrangement to which the Company is a party or by which the Company is otherwise bound to compensate any person in respect of Taxes or other liabilities incurred with respect to Section 409A or 4999 of the Code.

2.13 Labor and Employment Matters.

(a) The Company is and, since July 1, 2024, has been, in compliance in all material respects with all applicable Laws relating to labor and employment, including those relating to employment practices, terms and conditions of employment, collective bargaining, disability, immigration, health and safety, wages, hours and benefits, non-discrimination in employment, workers’ compensation, unemployment compensation, equal employment opportunity, discrimination, harassment, employee and contractor classification, and continuation coverage with respect to group health plans. Since July 1, 2024, there has not been, and as of the date of this Agreement there is not pending or, to the knowledge of the Company, threatened, any labor dispute, work stoppage, labor strike or lockout against the Company by employees.

(b) No employee of the Company is covered by an effective or pending collective bargaining agreement or similar labor agreement. To the knowledge of the Company, there has not been any activity on behalf of any labor union, labor organization or similar employee group to organize any employees of the Company. There are no (i) unfair labor practice charges or complaints against the Company pending before the National Labor Relations Board or any other labor relations tribunal or authority and, to the knowledge of the Company, no such representations, claims or petitions are threatened, (ii) representation claims or petitions pending before the National Labor Relations Board or any other labor relations tribunal or authority or (iii) grievances or pending arbitration proceedings against the Company that arose out of or under any collective bargaining agreement.

(c) To the knowledge of the Company, as of the date hereof, no current officer of the Company intends to, terminate his or her employment relationship with the Company in connection with or as a result of the Merger.

(d) Since the Company’s inception, (i) the Company has not effectuated a “plant closing” (as defined in the Worker Adjustment Retraining and Notification Act of 1988 (the “**WARN Act**”)) affecting any site

of employment or one or more facilities or operating units within any site of employment or facility, (ii) there has not occurred a “mass layoff” (as defined in the WARN Act) in connection with the Company affecting any site of employment or one or more facilities or operating units within any site of employment or facility and (iii) the Company has not engaged in layoffs or employment terminations sufficient in number to trigger application of any similar state, local or foreign law. The Company currently properly classifies and since its inception has classified its employees as exempt or nonexempt in accordance with applicable overtime laws, and no person treated as an independent contractor or consultant by the Company since its inception should have been classified as an employee under applicable Law, except where such action would not, individually or in the aggregate, result in the Company incurring a material liability.

(e) With respect to any current or former employee, officer, consultant or other service provider of the Company, there are no Legal Proceedings against the Company pending, or to the Company’s knowledge, threatened to be brought or filed, in connection with the employment or engagement of any current or former employee, officer, consultant or other service provider of the Company, including, without limitation, any claim relating to employment discrimination, harassment, retaliation, equal pay, employment classification or any other employment-related matter arising under applicable Laws, except where such action would not, individually or in the aggregate, result in the Company incurring a material liability.

(f) Except with respect to any Company Benefit Plan (which subject is addressed in [Section 2.12](#) above), the execution of this Agreement and the consummation of the transactions set forth in or contemplated by this Agreement will not result in any breach or violation of, or cause any payment to be made under, any applicable Laws respecting labor and employment or any collective bargaining agreement to which the Company is a party.

(g) Since July 1, 2024, (i) no allegations of workplace sexual harassment, discrimination or other material misconduct have been made, initiated, filed or, to the knowledge of the Company, threatened against the Company or any of its respective current or former directors, officers or senior-level management employees, (ii) to the knowledge of the Company, no incidents of any such workplace sexual harassment, discrimination or other material misconduct have occurred, and (iii) the Company has not entered into any settlement agreement related to allegations of sexual harassment, discrimination or other material misconduct by any of its directors, officers or employees described in clause (i).

2.14 Environmental Matters.

(a) Except as, individually or in the aggregate, has not had and would not reasonably be expected to have a Company Material Adverse Effect, (i) the Company has conducted its businesses in compliance with all, and has not violated any, applicable Environmental Laws; (ii) the Company has obtained all Permits of all Governmental Bodies and any other Person that are required under any Environmental Law; (iii) there has been no release of any Hazardous Substance by the Company or any other Person in any manner that has given or would reasonably be expected to give rise to any remedial or investigative obligation, corrective action requirement or liability of the Company under applicable Environmental Laws; (iv) the Company has not received any claims, notices, demand letters or requests for information (except for such claims, notices, demand letters or requests for information the subject matter of which has been resolved prior to the date of this Agreement) from any federal, state, local, foreign or provincial Governmental Body or any other Person asserting that the Company is in violation of, or liable under, any Environmental Law; (v) no Hazardous Substance has been disposed of, arranged to be disposed of, released or transported in violation of any applicable Environmental Law, or in a manner that has given rise to, or that would reasonably be expected to give rise to, any liability under any Environmental Law, in each case, on, at, under or from any current or former properties or facilities owned or operated by the Company or as a result of any operations or activities of the Company at any location and, to the knowledge of the Company, Hazardous Substances are not otherwise present at or about any such properties or facilities in amount or condition that has resulted in or would reasonably be expected to result in liability to the Company under any Environmental Law; and (vi) neither the Company nor any of its respective

properties or facilities are subject to, or are threatened to become subject to, any liabilities relating to any suit, settlement, court order, administrative order, regulatory requirement, judgment or claim asserted or arising under any Environmental Law or any agreement relating to environmental liabilities.

(b) As used herein, “**Environmental Law**” means any Law relating to (i) the protection, preservation or restoration of the environment (including air, surface water, groundwater, drinking water supply, surface and subsurface soils and strata, wetlands, plant and animal life or any other natural resource) or (ii) the exposure to, or the use, storage, recycling, treatment, generation, transportation, processing, handling, labeling, production, release or disposal of Hazardous Substances.

(c) As used herein, “**Hazardous Substance**” means any substance listed, defined, designated, classified or regulated as a waste, pollutant or contaminant or as hazardous, toxic, radioactive or dangerous or any other term of similar import under any Environmental Law, including but not limited to petroleum.

2.15 Taxes.

(a) The Company and each of its Subsidiaries has (i) timely filed all income and other material Tax Returns required to be filed by or on behalf of it (taking into account any applicable extensions thereof) and all such Tax Returns are true, accurate and complete in all material respects; and (ii) timely paid in full (or caused to be timely paid in full) all material Taxes that are due and payable, whether or not such Taxes were shown as due on such Tax Returns.

(b) All material Taxes not yet due and payable by the Company or any of its Subsidiaries as of the date of the Company Balance Sheet have been, in all material respects, properly accrued in accordance with GAAP on the Company Balance Sheet, and such Company Balance Sheet reflects an adequate reserve (in accordance with GAAP) for all material Taxes accrued but unpaid by the Company and each of its Subsidiaries through the date of the Company Balance Sheet. Since the date of the Company Balance Sheet, neither the Company nor any of its Subsidiaries has incurred, individually or in the aggregate, any liability for Taxes outside the Ordinary Course of Business.

(c) Neither the Company nor any of its Subsidiaries has executed any waiver of any statute of limitations on, or extended the period for the assessment or collection of, any material amount of Tax, in each case that has not since expired.

(d) No material audits or other investigations, proceedings, claims, assessments or examinations by any Governmental Body (each, a “**Tax Action**”) with respect to Taxes or any Tax Return of the Company or any of its Subsidiaries are presently in progress or have been asserted, threatened or proposed in writing, other than any such assertion, threat or proposal that has been settled or withdrawn. No deficiencies or claims for a material amount of Taxes have been claimed, proposed, assessed or asserted in writing against the Company or any of its Subsidiaries by a Governmental Body, other than any such claim, proposal, assessment or assertion that has been satisfied by payment in full, settled or withdrawn.

(e) The Company and each of its Subsidiaries have timely withheld or deducted all material Taxes required to have been withheld or deducted from payments made (or deemed made) to their employees, independent contractors, creditors, shareholders and other third parties and, to the extent required, such material Taxes have been timely paid to the relevant Governmental Body.

(f) Neither the Company nor any of its Subsidiaries has engaged in a “listed transaction” as set forth in Treasury Regulations §1.6011-4(b).

(g) Neither the Company nor any of its Subsidiaries (i) is a party to or bound by, nor has any liability pursuant to, any Tax sharing, allocation, indemnification or similar agreement or obligation, other than

any such agreement or obligation which is a customary commercial agreement or obligation entered into in the Ordinary Course of Business with vendors, lessors, lenders or the like the primary purpose of which is not Taxes (each, an “**Ordinary Course Agreement**”); (ii) is or has ever been a member of a group (other than a group the common parent of which is the Company) filing a consolidated, combined, affiliated, unitary or similar income Tax Return; (iii) has any liability for the Taxes of any Person (other than the Company and its Subsidiaries) pursuant to Treasury Regulations § 1.1502-6 (or any similar provision of state, local or non-U.S. Law) as a transferee or successor, by Contract (other than Ordinary Course Agreements) or otherwise by operation of Law; and (iv) is or has ever been treated as a resident for any income Tax purpose, or as subject to Tax by virtue of having a permanent establishment, an office or fixed place of business, in any country other than the country in which it was or is organized.

(h) No private-letter rulings, technical advice memoranda, or similar material agreements or rulings related to Taxes have been requested in writing, entered into or issued by any taxing authority with respect to the Company or any of its Subsidiaries which rulings remain in effect.

(i) Neither the Company nor any of its Subsidiaries will be required to include any material item of income in, or exclude any material item of deduction from, taxable income for any taxable period (or portion thereof) ending after the Closing Date as a result of (i) a change in method of accounting requested or initiated, or use of improper method of accounting, on or prior to the Closing Date, (ii) a “closing agreement” as described in Section 7121 of the Code (or any similar provision of state, local or foreign Tax Law) executed on or prior to the Closing Date, (iii) an installment sale or open-transaction disposition made on or prior to the Closing Date, (iv) any deferred intercompany gain or excess-loss account described in Treasury Regulations under Section 1502 of the Code (or any corresponding or similar provision of state, local or foreign income Tax Law), (v) an election under Section 965 of the Code, or (vi) the application of Section 951 or 951A of the Code with respect to income earned or recognized or payments received prior to the Closing.

(j) There are no Encumbrances for Taxes upon any of the assets of the Company or any of its Subsidiaries other than Encumbrances described in clause (i) of the definition of Permitted Encumbrances.

(k) Neither the Company nor any of its Subsidiaries has distributed stock of another Person or has had its stock distributed by another Person, in a transaction (or series of transactions) that was purported or intended to be governed in whole or in part by Section 355 or 361 of the Code.

(l) Neither the Company nor any of its Subsidiaries has been a United States real property holding corporation, as defined in Section 897(c)(2) of the Code, during the applicable period specified in Section 897(c)(1)(A)(ii) of the Code.

(m) No material claim has been made in writing by any Governmental Body in a jurisdiction where the Company or any of its Subsidiaries has not paid a specific Tax or filed a specific Tax Return that the Company or any of its Subsidiaries is or may be required to pay such Tax or file such Tax Return by such jurisdiction.

(n) Section 2.15(n) of the Company Disclosure Schedule sets forth the entity classification of the Company and each of its Subsidiaries for U.S. federal income tax purposes. Neither the Company nor any of its Subsidiaries has made an election or taken any other action to change its federal and state income tax classification from such classification.

(o) To the Company’s knowledge, the Company has not been, is not, and immediately prior to the Effective Time will not be, treated as an “investment company” within the meaning of Section 368(a)(2)(F) of the Code.

(p) Neither the Company nor any of its Subsidiaries has taken any action (or agreed to take any action) nor does it know of any fact or circumstance that would reasonably be expected to prevent or impede the Merger from qualifying for the Intended Tax Treatment.

2.16 Contracts.

(a) Section 2.16(a) of the Company Disclosure Schedule lists the following Contracts (other than Company Benefit Plans and Excepted Contracts) (a) to which the Company is a party; (b) by which the Company or any Intellectual Property owned or purported to be owned by, assigned to, or exclusively licensed by, the Company or any other asset of the Company is or may become bound or under which the Company has, or may become subject to, any obligation; or (c) under which the Company has or may acquire any right or interest, in effect as of the date of this Agreement (all such Contracts, “**Company Material Contracts**”):

(i) each Contract relating to the disposition or acquisition of material assets or any ownership interest in any entity, except as contemplated hereby, in each case, involving payments in excess of \$1,000,000 after the date of this Agreement;

(ii) each Contract relating to any mortgages, indentures, loans, notes or credit agreements, security agreements or other agreements or instruments relating to the borrowing of money or extension of credit in excess of \$1,000,000 or creating any material Encumbrances with respect to any assets of the Company or any loans or debt obligations with officers or directors of the Company;

(iii) each Contract requiring payment by or to the Company after the date of this Agreement in excess of \$1,000,000 in the aggregate in the current calendar year or any future calendar year pursuant to its express terms relating to: (A) any agreement under which a third party is granted rights related to the sale or distribution of any Company Product (identifying any that contain exclusivity provisions); (B) any agreement (other than a Company Benefit Plan) involving provision of services with respect to any pre-clinical or clinical development activities of the Company; (C) any dealer, distributor, joint marketing, alliance, joint venture, cooperation, or other agreement currently in force under which the Company has continuing obligations to develop or market any product, technology or service, or any agreement pursuant to which the Company has continuing obligations to develop any Intellectual Property that will not be owned, in whole or in part, by the Company; or (D) any Contract under which any third party provides any services relating to the manufacture (in whole or in part) of any Company Product, in each case, except for Contracts entered into in the Ordinary Course of Business;

(iv) each Company In-bound License;

(v) each Company Out-bound License;

(vi) each Contract requiring the payment of any royalty, dividend or similar arrangement based on the revenues or profits of the Company;

(vii) any other Contract that is not terminable at will (with no explicit termination penalty) by the Company and which involves payment or receipt by the Company after the date of this Agreement under any such Contract of more than \$1,000,000 in the aggregate, or obligations after the date of this Agreement in excess of \$1,000,000 in the aggregate; and

(viii) other than any Contract identified in Section 2.16(a)(i)-(vii), each Contract that would constitute a “material contract” (as such term is defined in Item 601(b)(10) of Regulation S-K under the Securities Act), with respect to the Company (assuming the Company was subject to the requirements of the Exchange Act).

(b) (i) Each Company Material Contract is valid and binding on the Company and to the knowledge of the Company, each other party thereto, and is in full force and effect and enforceable in accordance with its terms; (ii) the Company, and, to the knowledge of the Company, each other party thereto, has performed all material obligations required to be performed by it under each Company Material Contract; and (iii) there is

no material default under any Company Material Contract by the Company or, to the knowledge of the Company, any other party thereto, and no event or condition has occurred that constitutes, or, after notice or lapse of time or both, would constitute, a material default on the part of the Company or, to the knowledge of the Company, any other party thereto under any such Company Material Contract, nor has the Company received written notice of any such material default, event or condition. The Company has made available to Parent true and complete copies of all Company Material Contracts, including all amendments thereto.

2.17 Insurance. The Company is covered by valid and currently effective insurance policies issued in favor of the Company that are customary and adequate for companies of similar size in the industries and locations in which the Company operates. Section 2.17 of the Company Disclosure Schedule sets forth, as of the date hereof, a true and complete list of all material insurance policies issued in favor of the Company, or pursuant to which the Company is a named insured or otherwise a beneficiary, as well as any historic incurrence-based policies still in force. With respect to each such insurance policy, (a) such policy is in full force and effect and all premiums due thereon have been paid, (b) the Company is not in breach or default, and has not taken any action or failed to take any action which (with or without notice or lapse of time, or both) would constitute such a breach or default, or would permit termination or modification of, any such policy and (c) to the knowledge of the Company, no insurer issuing any such policy has been declared insolvent or placed in receivership, conservatorship or liquidation. No notice of cancellation or termination has been received with respect to any such policy, nor, to the knowledge of the Company, will any such cancellation or termination result from the consummation of the Contemplated Transactions.

2.18 Properties.

(a) The Company has good and valid title to, or in the case of leased property and leased tangible assets, a valid leasehold interest in, all of its real properties and tangible assets that are necessary for the Company to conduct its business as currently conducted, free and clear of all Encumbrances other than (i) Encumbrances for current Taxes and assessments not yet past due or the amount or validity of which is being contested in good faith by appropriate proceedings, (ii) minor liens that have arisen in the Ordinary Course of Business and that do not (in any case or in the aggregate) materially detract from the value of the assets or properties subject thereto or materially impair the operations of the Company; (iii) statutory liens to secure obligations to landlords, lessors or renters under leases or rental agreements; (iv) deposits or pledges made in connection with, or to secure payment of, workers' compensation, unemployment insurance or similar programs mandated by Law; (v) mechanics', workmen's, repairmen's, warehousemen's and carriers' Encumbrances arising in the Ordinary Course of Business, (vi) non-exclusive licenses of rights to Intellectual Property granted in the Ordinary Course of Business, which do not (in any case or in the aggregate) materially detract from the value of the rights to Intellectual Property subject thereto, and (vii) any such matters of record, Encumbrances and other imperfections of title that do not, individually or in the aggregate, materially impair the continued ownership, use and operation of the assets to which they relate in the business of the Company as currently conducted ("**Permitted Encumbrances**"). Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect on the Company, the tangible personal property currently used in the operation of the business of the Company is in good working order (reasonable wear and tear excepted).

(b) The Company has complied with the terms of all leases to which it is a party, and all such leases are in full force and effect, except for any such noncompliance or failure to be in full force and effect that, individually or in the aggregate, has not had and would not reasonably be expected to have a Company Material Adverse Effect. The Company enjoys peaceful and undisturbed possession under all such leases, except for any such failure to do so that, individually or in the aggregate, has not had and would not reasonably be expected to have a Company Material Adverse Effect.

(c) Section 2.18(c) of the Company Disclosure Schedule sets forth a true and complete list of (i) all real property owned by the Company and (ii) all real property leased for the benefit of the Company.

(d) This [Section 2.18](#) does not relate to intellectual property, which is the subject of [Section 2.19](#).

2.19 [Intellectual Property](#).

(a) [Section 2.19\(a\)](#) of the Company Disclosure Schedule sets forth a true and complete list of all (i) material patents and patent applications; (ii) material trademark registrations and applications; and (iii) material copyright registrations and applications, in each case owned by the Company (collectively, “**Company Registered IP**”), and a true and complete list of all domain names owned or exclusively licensed by the Company. Except as, individually or in the aggregate, has not had and would not reasonably be expected to have a Company Material Adverse Effect (A) all of the Company Registered IP is subsisting and, in the case of any Company Registered IP that is registered or issued and to the knowledge of the Company, valid and enforceable, (B) no Company Registered IP is involved in any interference, reissue, derivation, reexamination, opposition, cancellation or similar proceeding and, to the knowledge of the Company, no such action is threatened with respect to any of the Company Registered IP and (C) the Company owns exclusively, free and clear of any and all Encumbrances (other than Permitted Encumbrances), all Company Owned IP, including all Intellectual Property created on behalf of the Company by its employees or independent contractors.

(b) [Section 2.19\(b\)](#) of the Company Disclosure Schedule accurately identifies all Contracts pursuant to which any material Intellectual Property is licensed to the Company by any third party or any third party has granted to the Company a covenant not to sue with respect to any material Intellectual Property (other than (i) any non-customized software that (A) is so licensed solely in executable or object code form pursuant to a nonexclusive, internal-use software license and other Intellectual Property associated with such software and (B) is not incorporated into any of the Company’s products, (ii) any Intellectual Property licensed on a nonexclusive basis where the license is incidental to the primary purpose of the relevant Contract or the provision of services to the Company, (iii) any material transfer agreements, research agreements, clinical trial agreements, services agreements, non-disclosure agreements or confidentiality agreements, or off the-shelf software licenses or generally-available patent license agreements and (iv) agreements between Company and its employees in Company’s standard form thereof) (each a “**Company In-bound License**,” and the underlying Intellectual Property, the “**Company Licensed IP**”).

(c) [Section 2.19\(c\)](#) of the Company Disclosure Schedule accurately identifies each Contract pursuant to which any Person has been granted any license or covenant not to sue under, any Company Owned IP or Company Licensed IP (other than (i) any material transfer agreements, research agreements, clinical trial agreements, services agreements, non-disclosure agreements or confidentiality agreements and (ii) any Company Owned IP or Company Licensed IP nonexclusively licensed in the Ordinary Course of Business and that does not grant any commercial rights to any Company Product) (each a “**Company Out-bound License**”).

(d) To the knowledge of Company, the Company Owned IP and the Company Licensed IP constitutes all Intellectual Property necessary for Company to conduct its business as currently conducted; provided, however, that the foregoing representation is not a representation with respect to non-infringement of Intellectual Property.

(e) The Company has taken commercially reasonable measures to maintain the confidentiality of all information that constitutes or constitute a material trade secret of the Company, including requiring all Persons having access thereto to execute written non-disclosure agreements or assume other binding obligations to maintain confidentiality of such information.

(f) Except as, individually or in the aggregate, has not had and would not reasonably be expected to have a Company Material Adverse Effect, (i) to the knowledge of the Company, the conduct of the businesses of the Company, including the manufacture, marketing, offering for sale, sale, importation, use or intended use (as currently contemplated) or other disposal of any product as currently sold or under development by the Company, has not infringed, misappropriated or diluted, and does not infringe, misappropriate or dilute, any

Intellectual Property of any Person, (ii) the Company has not received any written notice or claim asserting or suggesting that any such infringement, misappropriation, or dilution is or may be occurring or has or may have occurred and (iii) to the knowledge of the Company, no Person is infringing, misappropriating, or diluting in any material respect any Company Registered IP or Company Licensed IP.

(g) Except as, individually or in the aggregate, has not had and would not reasonably be expected to have a Company Material Adverse Effect, (i) the Company has taken commercially reasonable steps to protect the confidentiality and security of the computer and information technology systems owned, licensed and used by the Company (the “**IT Systems**”) and the information and transactions stored or contained therein or transmitted thereby, (ii) to the knowledge of the Company, since July 1, 2024, there has been no unauthorized use, loss, access, transmittal, modification or corruption of any such IT Systems and (iii) since July 1, 2024, there have been no material failures, crashes, viruses, or security breaches (including any unauthorized access to any personally identifiable information) affecting the IT Systems.

(h) Except as, individually or in the aggregate, has not had and would not reasonably be expected to have a Company Material Adverse Effect, (i) to the knowledge of the Company, the Company has at all times since July 1, 2024, complied in all material respects with all applicable Laws governing privacy, data protection, and the collection, retention, protection, and use of Personal Information (collectively, “**Privacy Laws**”) collected, used, or held for use by the Company, (ii) since July 1, 2024, no claims have been received by the Company or, to the knowledge of the Company, threatened in writing against the Company alleging the Company violated any applicable Privacy Laws, (iii) neither the Company’s performance of this Agreement nor the Company’s consummation of the Contemplated Transactions will breach or otherwise violate any applicable Privacy Laws and (iv) the Company has taken commercially reasonable steps to protect the Personal Information collected, used or held for use by the Company against unauthorized loss, access, use, modification, disclosure or other misuse.

(i) To the knowledge of the Company, no government funding, facilities or resources of a university, college, other educational institution or research center or funding from third parties was used in the development of the Company Owned IP or, to the knowledge of the Company, Company Licensed IP exclusively licensed to the Company, and no Governmental Body, university, college, other educational institution or research center has, to the knowledge of the Company, any claim or right in or to such Intellectual Property.

(j) The execution, delivery and performance by the Company of this Agreement, and the consummation of the Contemplated Transactions, will not result in the loss of, or give rise to any right of any third party to terminate or modify any of the Company’s rights or obligations under any Company In-bound License or Company Out-bound License.

2.20 State Takeover Statutes. As of the date hereof and at all times on or prior to the Effective Time, the Company Board has taken all actions so that the restrictions applicable to business combinations contained in Section 203 of the DGCL are, and will be, inapplicable to the execution, delivery and performance of this Agreement and the timely consummation of the Merger and the other Contemplated Transactions and will not restrict, impair or delay the ability of Parent or Merger Sub, after the Effective Time, to vote or otherwise exercise all rights as a stockholder of the Company. No other Takeover Statute or any similar anti-takeover provision in the Company Charter or Company Bylaws is, or at the Effective Time will be, applicable to this Agreement, the Merger or any of the other Contemplated Transactions.

2.21 No Rights Plan. There is no stockholder rights plan, “poison pill” anti-takeover plan or other similar device in effect to which the Company is a party or is otherwise bound.

2.22 Related Party Transactions. Since July 1, 2024 through the date of this Agreement, there have been no transactions, agreements, arrangements or understandings between the Company, on the one hand, and the affiliates of the Company, on the other hand, that would be required to be disclosed under Item 404 of

Regulation S-K under the Securities Act (assuming the Company was subject to the requirements of the Exchange Act).

2.23 Certain Payments. Neither the Company nor any of its respective directors, officers, employees or, to the Company's knowledge, agents or any other Person acting on its behalf has, directly or indirectly, made any bribes, rebates, payoffs, influence payments, kickbacks, illegal payments, illegal political contributions, or other payments, in the form of cash, gifts, or otherwise, or taken any other action, in violation of the Foreign Corrupt Practices Act of 1977, the UK Bribery Act of 2010 or any other anti-bribery or anti-corruption Law (collectively, the "**Anti-Bribery Laws**"). The Company is not, nor has it been the subject of any investigation or inquiry by any Governmental Body with respect to potential violations of Anti-Bribery Laws.

2.24 Brokers. No broker, investment banker, financial advisor or other Person, other than as set forth on Section 2.24 of the Company Disclosure Schedule, the fees and expenses of which will be paid by the Company or, following the Effective Time, Parent, is entitled to any broker's, finder's, financial advisor's or other similar fee or commission in connection with the Contemplated Transactions based upon arrangements made by or on behalf of the Company or any of its Affiliates.

2.25 Concurrent Financing Compliance.

(a) The Company has delivered to Parent true, correct and complete copies of all definitive agreements related to the Concurrent Financing, including the Subscription Agreement, pursuant to which the Purchasers (as defined in the Subscription Agreement) party thereto (collectively, the "**Purchasers**") have agreed, subject to the terms and conditions set forth therein, to purchase the number of shares of Company Common Stock set forth therein in connection with the Contemplated Transactions. The Subscription Agreement has not been amended or modified prior to the date of this Agreement and as of the date hereof, no such amendment or modification is contemplated (other than amendments or modifications that are permitted by Section 5.23), and as of the date hereof, the respective obligations and commitments contained in the Subscription Agreement have not been withdrawn or rescinded in any respect.

(b) As of the date hereof, the Subscription Agreement is in full force and effect and is the legal, valid, binding and enforceable obligation of the Company, and, to the knowledge of the Company, each of the Purchasers. There are no conditions precedent or other contingencies related to the funding of the full amount of the Concurrent Financing, other than as expressly set forth in the Subscription Agreement. As of the date hereof, no event has occurred which, with or without notice, lapse of time or both, would reasonably be expected to constitute a default or breach on the part of the Company or, to the knowledge of the Company, any Purchaser under the Subscription Agreement. As of the date hereof, the Company has no reason to believe that any of the conditions to the Concurrent Financing as contemplated by the Subscription Agreement will not be satisfied.

2.26 No Other Representations or Warranties. Except for the representations and warranties contained in Section 3, the Company acknowledges and agrees that none of Parent, Merger Sub or any other Person on behalf of Parent or Merger Sub makes any other express or implied representation or warranty whatsoever, and specifically (but without limiting the generality of the foregoing) that none of Parent, its Subsidiaries or any other Person on behalf of Parent or Merger Sub makes any representation or warranty with respect to any projections or forecasts delivered or made available to the Company or any of its Representatives of future revenues, results of operations (or any component thereof), cash flows or financial condition (or any component thereof) of Parent (including any such projections or forecasts made available to the Company and Representatives in certain "data rooms" or management presentations in expectation of the Contemplated Transactions), and the Company has not relied on any such information or any representation or warranty not set forth in Section 3.

Section 3. REPRESENTATIONS AND WARRANTIES OF PARENT AND MERGER SUB

Except (a) as disclosed in the Parent SEC Documents at least three Business Days prior to the date of this Agreement and that is reasonably apparent on the face of such disclosure to be applicable to the

representation and warranty set forth herein (other than any disclosures contained or referenced therein under the captions “Risk Factors,” “Forward-Looking Statements,” “Quantitative and Qualitative Disclosures About Market Risk,” and any other disclosures contained or referenced therein of information, factors, or risks that are predictive, cautionary, or forward-looking in nature); or (b) as set forth in the corresponding section or subsection of the disclosure schedule delivered by Parent to the Company immediately prior to the execution of this Agreement (the “**Parent Disclosure Schedule**”) (it being agreed that (i) the disclosure of any information in a particular section or subsection of the Parent Disclosure Schedule shall be deemed disclosure of such information with respect to any other section or subsection of this Agreement to which the relevance of such information is readily apparent on its face and (ii) where applicable, references to Parent in this [Section 3](#) shall include Parent’s Subsidiaries), each of Parent and the Merger Sub represents and warrants to the Company as follows:

3.1 [Organization, Standing and Power](#).

(a) Each of Parent and Merger Sub is a corporation duly incorporated, validly existing and in good standing under the Laws of Delaware. Each of Parent and Merger Sub (i) has all requisite corporate power and authority to own, lease and operate its properties and to carry on its business as now being conducted and (ii) is duly qualified or licensed to do business and is in good standing in each jurisdiction in which the nature of its business or the ownership, leasing or operation of its properties makes such qualification or licensing necessary, except in the case of clause (ii), where the failure to be so qualified or licensed or in good standing, individually or in the aggregate, has not had and would not reasonably be expected to have a Parent Material Adverse Effect. Since the date of its incorporation, Merger Sub has not engaged in any activities other than activities incident to its formation or in connection with or as contemplated by this Agreement.

(b) Parent has previously made available to the Company true and complete copies of the Certificate of Incorporation and Bylaws (or comparable organizational documents) of each of Parent and Merger Sub, and the Certificate of Incorporation and Bylaws (or comparable organizational documents) of each other Subsidiary of Parent, in each case, as amended to the date of this Agreement, and each as so delivered is in full force and effect. None of Parent or Merger Sub is in violation in any material respects of any provision of its respective Certificate of Incorporation or Bylaws (or comparable organizational documents).

3.2 [Capital Stock](#).

(a) The authorized capital stock of Parent consists of (i) 200,000,000 shares of Parent Common Stock and (ii) 50,000,000 shares of Parent Preferred Stock. As of the close of business on the Reference Date, (i) 5,289,675 shares of Parent Common Stock (excluding treasury shares) were issued and outstanding, (ii) no shares of Parent Common Stock were held by Parent in its treasury, (iii) no shares of Parent Preferred Stock were issued and outstanding, (iv) 1,515,385 shares of Parent Common Stock were reserved for issuance pursuant to Parent’s 2021 Equity Incentive Plan (of which (x) 647,955 shares were subject to outstanding options to purchase shares of Parent Common Stock, (y) no shares were subject to outstanding restricted stock awards of Parent and (z) 33,099 shares were subject to outstanding restricted stock units of Parent), (v) 94,281 shares of Parent Common Stock were reserved for issuance pursuant to Parent’s 2021 Employee Stock Purchase Plan and (vi) 416,673 shares of Parent Common Stock were reserved for issuance upon the exercise of the Pre-Funded Warrants. Except as set forth above in this [Section 3.2\(a\)](#), neither Parent nor any of its Subsidiaries has outstanding any bonds, debentures, notes or other obligations having the right to vote (or convertible into, or exchangeable or exercisable for, securities having the right to vote) with the stockholders of Parent or such Subsidiary on any matter. Except as set forth above in this [Section 3.2\(a\)](#) and except for changes since the close of business on the Reference Date resulting from the exercise of any options as described above, as of the Reference Date, there are no outstanding (A) shares of capital stock or other voting securities or equity interests of Parent, (B) securities of Parent or any of its Subsidiaries convertible into or exchangeable or exercisable for shares of capital stock of Parent or other voting securities or equity interests of Parent or its Subsidiaries, (C) stock appreciation rights, “phantom” stock rights, performance units, interests in or rights to the ownership or earnings of Parent or its Subsidiaries or other equity-equivalent or equity-based awards or rights, (D) subscriptions, options, warrants,

calls, commitments, Contracts or other rights to acquire from Parent or its Subsidiaries, or obligations of Parent or any of its Subsidiaries to issue, any shares of capital stock of Parent or any of its Subsidiaries, voting securities, equity interests or securities convertible into or exchangeable or exercisable for capital stock or other voting securities or equity interests of Parent or its Subsidiaries or rights or interests described in the preceding clause (C), or (E) obligations of Parent or any of its Subsidiaries to repurchase, redeem or otherwise acquire any such securities or to issue, grant, deliver or sell, or cause to be issued, granted, delivered or sold, any such securities.

(b) Section 3.2(b) of the Parent Disclosure Schedule sets forth a true and complete list, as of the date hereof, of all holders of rights to purchase or receive shares of Parent Common Stock or similar rights (collectively, “**Parent Stock Awards**”), indicating as applicable, with respect to each Parent Stock Award then outstanding, the type of award (e.g., incentive stock option, non-statutory stock option, restricted stock unit, etc.), the number of shares of Parent Common Stock subject to such Parent Stock Award, the name of the plan under which such Parent Stock Award was granted, the date of grant, exercise or purchase price, vesting schedule, payment schedule (if different from the vesting schedule) and expiration thereof. Parent has made available to the Company a true and complete copy of the forms of all award agreements evidencing outstanding Parent Stock Awards. Parent does not sponsor, maintain or administer any employee or director stock option, stock purchase or equity compensation plan or arrangement other than the Parent Benefit Plans. Parent is under no obligation to issue shares of Parent Common Stock pursuant to any employee or director stock option, stock purchase or equity compensation plan or arrangement.

(c) The authorized capital stock of Merger Sub consists of 1,000 shares of common stock, par value \$0.001 per share, of which 100 shares are issued and outstanding, all of which shares are beneficially owned by Parent.

(d) The shares of Parent Common Stock to be issued pursuant to the Merger will be duly authorized, validly issued, fully paid and nonassessable and not subject to any preemptive rights.

(e) To the knowledge of Parent as of the date of this Agreement and as of the Closing, no “bad actor” disqualifying event described in Rule 506(d)(1)(i)-(viii) of the Securities Act (a “**Disqualifying Event**”) is applicable to Parent or, to Parent’s knowledge, any Covered Person, except for a Disqualifying Event as to which Rule 506(d)(2)(ii-iv) or (d)(3) of the Securities Act is applicable. “**Covered Person**” means, with respect to Parent as an “issuer” for purposes of Rule 506 promulgated under the Securities Act, any person listed in the first paragraph of Rule 506(d)(1).

3.3 Subsidiaries. Section 3.3 of the Parent Disclosure Schedule sets forth a true and complete list of each Subsidiary of Parent, including its jurisdiction of incorporation or formation. Each of Parent’s Subsidiaries (a) is an entity duly organized, validly existing and in good standing under the Laws of the jurisdiction of its organization, (b) has all requisite corporate or similar power and authority to own, lease and operate its properties and to carry on its business as now being conducted and (c) is duly qualified or licensed to do business and is in good standing in each jurisdiction in which the nature of its business or the ownership, leasing or operation of its properties makes such qualification or licensing necessary, except in the case of clause (c), where the failure to be so qualified or licensed or in good standing, individually or in the aggregate, has not had and would not reasonably be expected to have a Parent Material Adverse Effect. All outstanding shares of capital stock and other voting securities or equity interests of each such Subsidiary are owned, directly or indirectly, by Parent, free and clear of all Encumbrances other than Permitted Encumbrances of Parent and its Subsidiaries. Except for the capital stock of, or other equity or voting interests in, its Subsidiaries, Parent does not own, directly or indirectly, any equity, membership interest, partnership interest, joint venture interest, or other equity or voting interest in, or any interest convertible into, exercisable or exchangeable for any of the foregoing, nor is it under any current or prospective obligation to form or participate in, provide funds to, make any loan, capital contribution, guarantee, credit enhancement or other investment in, or assume any liability or obligation of, any Person. Neither Parent nor any of its Subsidiaries has, at any time, been a general partner of, or has otherwise

been liable for any of the debts or other obligations of, any general partnership, limited partnership or other Entity.

3.4 Authority.

(a) Each of Parent and Merger Sub has all necessary corporate power and authority to execute, deliver and perform its obligations under this Agreement and, subject to the receipt of the Required Parent Stockholder Vote, to consummate the Merger and the other Contemplated Transactions. The execution, delivery and performance of this Agreement by Parent and Merger Sub and the consummation by Parent and Merger Sub of the Merger and the other Contemplated Transactions have been duly authorized by all necessary corporate action on the part of Parent and Merger Sub and no other corporate proceedings on the part of Parent or Merger Sub are necessary to approve this Agreement or to consummate the Merger and the other Contemplated Transactions subject to (i) with respect to Parent, receipt of the Required Parent Stockholder Vote and (ii) with respect to Merger Sub, the adoption of this Agreement by Parent in its capacity as sole stockholder of Merger Sub. This Agreement has been duly executed and delivered by Parent and Merger Sub and, assuming the due authorization, execution and delivery by the Company, constitutes a valid and binding obligation of each of Parent and Merger Sub, enforceable against each of Parent and Merger Sub in accordance with its terms (subject to the Enforceability Exceptions).

(b) The Parent Board, at a meeting duly called and held at which all directors of Parent were present, duly adopted resolutions (i) determining that the terms of this Agreement, the Merger and the other Contemplated Transactions and thereby are fair to, advisable and in the best interests of Parent and its stockholders, (ii) approving and declaring advisable this Agreement and the Contemplated Transactions, including the Merger and the issuance of shares of Parent Common Stock to the stockholders of the Company pursuant to the terms of this Agreement, and (iii) determining to recommend, upon the terms and subject to the conditions set forth in this Agreement, that the stockholders of Parent vote to approve the Parent Stockholder Matters, which resolutions have not been subsequently rescinded, modified or withdrawn in any way. The Merger Sub Board (by unanimous written consent) has: (x) determined that the Contemplated Transactions are fair to, advisable and in the best interests of Merger Sub and its sole stockholder, (y) deemed advisable and approved this Agreement and the Contemplated Transactions and (z) determined to recommend, upon the terms and subject to the conditions set forth in this Agreement, that the stockholder of Merger Sub vote to adopt this Agreement and thereby approve the Contemplated Transactions.

(c) The affirmative vote of a majority of the votes cast is the only vote of the holders of any class or series of Parent Capital Stock necessary to approve the Parent Stockholder Matters (the “**Required Parent Stockholder Vote**”).

3.5 No Conflict: Consents and Approvals.

(a) Subject to obtaining the Required Parent Stockholder Vote, the execution, delivery and performance of this Agreement by each of Parent and Merger Sub does not, and the consummation of the Merger and the other Contemplated Transactions and compliance by each of Parent and Merger Sub with the provisions hereof will not, contravene, conflict with, or result in any violation or breach of, or default (with or without notice or lapse of time, or both) under, or give rise to a right of, or result in, termination, cancellation, modification or acceleration of any obligation or to the loss of a benefit under, or result in the creation of any Encumbrance in or upon any of the properties, assets or rights of Parent or Merger Sub under, or give rise to any increased, additional, accelerated or guaranteed rights or entitlements under, or require any consent, waiver or approval of any Person pursuant to, any provision of (i) the Certificate of Incorporation or Bylaws of Parent or Merger Sub and (ii) any Parent Material Contract to which Parent or Merger Sub is a party by which Parent, Merger Sub or any of their respective properties or assets may be bound, or (iii) subject to the governmental filings and other matters referred to in [Section 3.5\(b\)](#), any material Law or any rule or regulation of Nasdaq applicable to Parent or Merger Sub or by which Parent, Merger Sub or any of their respective properties or assets

may be bound, except as, in the case of clauses (ii) and (iii), as individually or in the aggregate, has not had and would not reasonably be expected to have a Parent Material Adverse Effect.

(b) No consent, approval, order or authorization of, or registration, declaration, filing with or notice to, any Governmental Body is required by or with respect to Parent or Merger Sub in connection with the execution, delivery and performance of this Agreement by Parent or Merger Sub or the consummation by Parent or Merger Sub of the Merger and the other Contemplated Transactions or compliance with the provisions hereof, except for (i) the filing with the SEC of such reports under Section 13(a) or 15(d) of the Exchange Act, as may be required in connection with this Agreement and the Contemplated Transactions, (ii) such other filings and reports as may be required pursuant to the applicable requirements of the Securities Act, the Exchange Act and any other applicable state or federal securities, takeover and “blue sky” laws or Nasdaq, (iii) the filing of the Certificate of Merger with the Delaware Secretary of State as required by the DGCL, (iv) as may be required under applicable Antitrust Laws and (v) such other consents, approvals, orders, authorizations, registrations, declarations, filings or notices, the failure of which to be obtained or made, individual or in the aggregate, have not had and would not reasonably be expected to have a Parent Material Adverse Effect.

(c) The Parent Board and the Merger Sub board have taken and will take all actions necessary to ensure that the restrictions applicable to business combinations contained in Section 203 of the DGCL are, and will be, inapplicable to the execution, delivery and performance of this Agreement and to the consummation of the Contemplated Transactions. No other state takeover statute or similar Law applies or purports to apply to the Merger, this Agreement or any of the other Contemplated Transactions.

3.6 SEC Reports; Financial Statements.

(a) Parent has filed with or furnished to the SEC on a timely basis true and complete copies of all forms, reports, schedules, statements and other documents required to be filed with or furnished to the SEC by Parent since January 1, 2023 (all such documents, together with all exhibits and schedules to the foregoing materials and all information incorporated therein by reference, the “**Parent SEC Documents**”). As of their respective filing dates (or, if amended or superseded by a filing prior to the date of this Agreement, then on the date of such filing), the Parent SEC Documents complied in all material respects with the applicable requirements of the Securities Act, the Exchange Act and the Sarbanes-Oxley Act, as the case may be, including, in each case, the rules and regulations promulgated thereunder, and none of the Parent SEC Documents contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading. The certifications and statements required by (i) Rule 13a-14 under the Exchange Act and (ii) 18 U.S.C. §1350 (Section 906 of the Sarbanes-Oxley Act) relating to the Parent SEC Documents (collectively, the “**Certifications**”) are accurate and complete and comply as to form and content with all applicable Laws. As used in this Section 3.6, the term “file” and variations thereof shall be broadly construed to include any manner in which a document or information is furnished, supplied or otherwise made available to the SEC.

(b) The financial statements (including the related notes and schedules thereto) included (or incorporated by reference) in the Parent SEC Documents (i) were prepared in a manner consistent with the books and records of Parent and its Subsidiary, (ii) were prepared in accordance with GAAP (except, in the case of unaudited statements, as permitted by Form 10-Q of the SEC) applied on a consistent basis during the periods involved (except as may be indicated in the notes thereto), (iii) complied as to form in all material respects with applicable accounting requirements and the published rules and regulations of the SEC with respect thereto and (iv) fairly present in all material respects the consolidated financial position of Parent and its Subsidiaries as of the dates thereof and their respective consolidated results of operations and cash flows for the periods then ended (subject, in the case of unaudited statements, to normal and recurring year-end audit adjustments that were not, or are not expected to be, material in amount), all in accordance with GAAP and the applicable rules and regulations promulgated by the SEC. Since January 1, 2023, Parent has not made any change in the accounting practices or policies applied in the preparation of its financial statements, except as required by GAAP, SEC rule

or policy or applicable Law. The books and records of Parent and its Subsidiaries have been, and are being, maintained in all material respects in accordance with GAAP (to the extent applicable) and any other applicable legal and accounting requirements and reflect only actual transactions.

(c) Parent has established and maintains disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Such disclosure controls and procedures are designed to ensure that information relating to Parent, including its consolidated Subsidiaries, required to be disclosed in Parent's periodic and current reports under the Exchange Act, is made known to Parent's chief executive officer and its chief financial officer by others within those entities to allow timely decisions regarding required disclosures as required under the Exchange Act. The chief executive officer and chief financial officer of Parent have evaluated the effectiveness of Parent's disclosure controls and procedures and, to the extent required by applicable Law, presented in any applicable Parent SEC Document that is a report on Form 10-K or Form 10-Q, or any amendment thereto, its conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by such report or amendment based on such evaluation.

(d) Parent and its Subsidiaries have established and maintain a system of internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) which is effective in providing reasonable assurance regarding the reliability of Parent's financial reporting and the preparation of Parent's financial statements for external purposes in accordance with GAAP. Parent has disclosed, based on its most recent evaluation of Parent's internal control over financial reporting prior to the date hereof, to Parent's auditors and audit committee (i) any significant deficiencies and material weaknesses in the design or operation of Parent's internal control over financial reporting which are reasonably likely to adversely affect Parent's ability to record, process, summarize and report financial information and (ii) any fraud, whether or not material, that involves management or other employees who have a significant role in Parent's internal control over financial reporting. A true, correct and complete summary of any such disclosures made by management to Parent's auditors and audit committee is set forth as Section 3.6(d) of Parent Disclosure Schedule. Parent's internal control over financial reporting is effective at the reasonable assurance level and Parent has not identified any material weaknesses in the design or operation of Parent's internal control over financial reporting.

(e) Since January 1, 2023 through the date of this Agreement, (i) neither Parent nor any of its Subsidiaries nor, to the knowledge of Parent, any director, officer, employee, auditor, accountant or representative of the Parent or any of its Subsidiaries has received or otherwise had or obtained knowledge of any material complaint, allegation, assertion or claim, whether written or oral, regarding the accounting or auditing practices, procedures, methodologies or methods of Parent or any of its Subsidiaries or their respective internal accounting controls, including any material complaint, allegation, assertion or claim that Parent or any of its Subsidiaries has engaged in questionable accounting or auditing practices and (ii) no attorney representing Parent or any of its Subsidiaries, whether or not employed by Parent or any of its Subsidiaries, has reported evidence of a material violation of securities Laws, breach of fiduciary duty or similar violation by Parent or any of its Subsidiaries or any of their respective officers, directors, employees or agents to the Parent Board or any committee thereof or to any director or officer of Parent or any of its Subsidiaries.

(f) As of the date of this Agreement, there are no outstanding or unresolved comments in the comment letters received from the SEC staff with respect to the Parent SEC Documents. To the knowledge of Parent, as of the date of this Agreement, none of the Parent SEC Documents is subject to ongoing review or outstanding SEC comment or investigation. As of the date of this Agreement, Parent has not received any comment letter from the SEC or the staff thereof or any correspondence from Nasdaq or the staff thereof relating to the delisting or maintenance of listing of the Parent Common Stock on Nasdaq that has not previously been disclosed in the Parent SEC Documents.

(g) Neither Parent nor any of its Subsidiaries is a party to, or has any commitment to become a party to, any joint venture, off-balance sheet partnership or any similar Contract (including any Contract or arrangement relating to any transaction or relationship between or among Parent and any of its Subsidiaries, on

the one hand, and any unconsolidated Affiliate, including any structured finance, special-purpose or limited-purpose entity or Person, on the other hand, or any “off balance sheet arrangements” (as defined in Item 303(a) of Regulation S-K under the Exchange Act)), where the result, purpose or intended effect of such Contract is to avoid disclosure of any material transaction involving, or material liabilities of, Parent or any of its Subsidiaries in Parent’s or such Subsidiary’s published financial statements or other Parent SEC Documents.

(h) Parent is in compliance in all material respects with (i) the provisions of the Sarbanes-Oxley Act and (ii) the rules and regulations of Nasdaq, in each case, that are applicable to Parent.

(i) No Subsidiary of Parent is required to file any form, report, schedule, statement or other document with the SEC.

(j) Parent has not been and is not currently a “shell company” as defined under Section 12b-2 of the Exchange Act.

(k) Parent is, and since its first date of listing on Nasdaq has been, in compliance in all material respects with the applicable current listing and governance rules and regulations of Nasdaq.

(l) Parent’s auditor has at all times since the date of enactment of the Sarbanes-Oxley Act been: (i) a registered public accounting firm (as defined in Section 2(a)(12) of the Sarbanes-Oxley Act), (ii) to the knowledge of Parent, “independent” with respect to Parent within the meaning of Regulation S-X under the Exchange Act and (iii) to the knowledge of Parent, in compliance with subsections (g) through (l) of Section 10A of the Exchange Act and the rules and regulations promulgated by the SEC and the Public Company Accounting Oversight Board thereunder.

3.7 No Undisclosed Liabilities. As of the date hereof, neither Parent nor any of its Subsidiaries has any liabilities or obligations of any nature, whether accrued, absolute, contingent or otherwise, known or unknown, whether due or to become due and whether or not required to be recorded or reflected on a balance sheet under GAAP, except (a) to the extent accrued or reserved against in the audited consolidated balance sheet of Parent and its Subsidiaries as at December 31, 2024 included in the Annual Report on Form 10-K filed by Parent with the SEC on March 13, 2025 (without giving effect to any amendment thereto filed on or after the date hereof) (b) for liabilities and obligations incurred by Parent or its Subsidiaries in the Ordinary Course of Business since the date of the Parent Balance Sheet, (c) liabilities and obligations related to the performance of obligations of Parent under Parent Material Contracts, (d) liabilities and obligations incurred in connection with the Contemplated Transactions and (e) liabilities and obligations that are not material to Parent and its Subsidiaries, taken as a whole. Parent has no outstanding or accrued financial liability of any kind arising from or in connection with the Contracts set forth on Section 5.12(b) of the Parent Disclosure Schedule.

3.8 Absence of Certain Changes or Events. From September 30, 2025 to the date hereof, except in connection with the execution of this Agreement and the consummation of the Contemplated Transactions, (x) Parent and its Subsidiaries have conducted their business only in the Ordinary Course of Business; (y) there has not been any change, event or development or prospective change, event or development that, individually or in the aggregate, has had or would reasonably be expected to have a Parent Material Adverse Effect; and (z) neither Parent nor any of its Subsidiaries have:

(a) (i) declared, set aside or paid any dividends on, or made any other distributions (whether in cash, stock or property) in respect of, any of its capital stock or other equity interests, except for dividends by a wholly-owned Subsidiary of Parent to its parent, (ii) purchased, redeemed or otherwise acquired shares of capital stock or other equity interests of Parent or its Subsidiary or any options, warrants, or rights to acquire any such shares or other equity interests, or (iii) split, combined, reclassified or otherwise amended the terms of any of its capital stock or other equity interests or issued or authorized the issuance of any other securities in respect of, in lieu of or in substitution for shares of its capital stock or other equity interests;

(b) amended or otherwise changed, or authorized or proposed to amend or otherwise change, its certificate of incorporation or by-laws (or similar organizational documents) except as required to give effect to Contemplated Transactions;

(c) adopted or entered into a plan of complete or partial liquidation, dissolution, restructuring, recapitalization or reorganization or effected or been a party to any merger, consolidation, share exchange, business combination, recapitalization, reclassification of shares, stock split, reverse stock split or similar transaction except, for the avoidance of doubt, the Contemplated Transactions;

(d) formed any Subsidiary or acquired any equity interest or other interest in any other entity or entered into a joint venture with any other entity;

(e) (i) lent money to any Person (other than advances of reasonable business expenses to cover employees and service providers in the Ordinary Course of Business), (ii) incurred or guaranteed any indebtedness for borrowed money, or (iii) guaranteed any debt securities of others;

(f) Other than as required by applicable Law or the terms of any Parent Benefit Plan as in effect on the date of this Agreement: (A) adopted, terminated, established or entered into any Parent Benefit Plan; (B) caused or permitted any Parent Benefit Plan to be amended in any material respect; (C) paid any material bonus or distributed any profit-sharing account balances or similar payment to, or increased the amount of the wages, salary, commissions, benefits or other compensation or remuneration payable to, any of its directors, officers, employees, consultants or independent contractors; (D) awarded any new or increased or amended any existing severance, retention or change-of-control benefits offered to any current, former or new employees, directors, consultants or other Persons or (E) hired, terminated or gave notice of termination (other than for cause) to, any officer, employee, consultant or independent contractor;

(g) entered into any material transaction in connection with the Contemplated Transactions;

(h) acquired any material asset or sold, leased or otherwise irrevocably disposed of any of its material assets or properties, or granted any Encumbrance (other than Permitted Encumbrances) with respect to such assets or properties;

(i) engaged in, or taken active steps to prepare for, manufacturing or commercial operations with respect to any product or product candidate;

(j) sold, assigned, transferred, licensed, sublicensed or otherwise disposed of any material Intellectual Property owned or purported to be owned by, assigned to, or exclusively licensed by, Parent or its Subsidiaries, except for the grant of non-exclusive licenses to such Intellectual Property in the Ordinary Course of Business;

(k) other than as required by Law or GAAP, taken any action to change accounting policies or procedures;

(l) changed its financial or Tax accounting methods, principles or practices, except insofar as may have been required by a change in GAAP or applicable Law, or revalued any of its material assets; or

(m) agreed, resolved or committed to do any of the foregoing.

3.9 Litigation. As of the date hereof, there is no Legal Proceeding (or basis therefor) pending or, to the knowledge of Parent, threatened against Parent or any of its Subsidiaries, any of their respective properties or assets, or any present or former officer, director or employee of Parent or any of its Subsidiaries in such individual's capacity as such. Neither Parent nor any of its Subsidiaries nor any of their respective properties or

assets is subject to any outstanding judgment, order, injunction, rule or decree of any Governmental Body. There is no Legal Proceeding pending or, to the knowledge of Parent, threatened seeking to prevent, hinder, modify, delay or challenge the Merger or any of the other Contemplated Transactions.

3.10 Compliance with Laws. Parent and each of its Subsidiaries are, and since January 1, 2023 have been, in compliance in all material respects with all Laws applicable to their businesses, operations, properties or assets. None of Parent or any of its Subsidiaries has received, since January 1, 2023, a notice or other written communication alleging or relating to a possible material violation of any Law applicable to their businesses, operations, properties, assets or Parent Products (as defined below). Parent and each of its Subsidiaries have in effect all material Permits of all Governmental Bodies necessary for them to own, lease or operate their properties and assets and to carry on their businesses and operations as now conducted, and there has occurred no material violation of, material default (with or without notice or lapse of time or both) or other event that would give others any right of revocation, non-renewal, adverse modification or cancellation of, with or without notice or lapse of time or both, any such Permit, nor would any such revocation, non-renewal, adverse modification or cancellation result from the consummation of the Contemplated Transactions.

3.11 Health Care Regulatory Matters.

(a) Parent and, to the knowledge of Parent, each of its directors, officers, employees, agents (while acting in such capacity), contract manufacturers, contract research organizations and clinical investigators is and, since January 1, 2023 has been, in material compliance with all Health Care Laws to the extent applicable to Parent or any of its products or activities. Parent has not engaged in any voluntary disclosure or self-disclosure to any Governmental Body concerning any alleged, potential or actual non-compliance with any applicable Health Care Laws, and to the Parent's knowledge no such self-disclosure to any Governmental Body is warranted. To the knowledge of Parent, there are no other facts or circumstances that reasonably would be expected to give rise to any material liability under any Health Care Laws.

(b) Parent is not party to any corporate integrity agreements, monitoring agreements, consent decrees, settlement orders, or similar agreements with or imposed by any Governmental Body.

(c) All applications, notifications, submissions, information, claims and reports submitted in connection with any and all requests for a Permit from the FDA or other Governmental Body relating to products that are regulated as drugs, biologics, or other medical products under Health Care Laws, including the drug and biological candidates, compounds or products being researched, tested, stored, developed, labeled, manufactured, packed and/or distributed by Parent or any of its Subsidiaries ("**Parent Products**"), including, without limitation, investigational new drug applications, when submitted to the FDA or other Governmental Body were true, complete and correct in all material respects as of the date of submission and any necessary or required updates, changes, corrections or modification to such applications, submissions, information and data have been submitted to the FDA or other Governmental Body. Parent does not have knowledge of any facts or circumstances that would be reasonably likely to lead to the revocation, suspension, limitation, or cancellation of a material Permit required under Health Care Laws.

(d) All preclinical studies and clinical trials conducted by or, to the knowledge of Parent, on behalf of Parent have been since January 1, 2023, and if still pending are being, conducted in material compliance with research protocols and all applicable Health Care Laws. To Parent's knowledge, no clinical trial conducted by or on behalf of Parent has been conducted using any clinical investigators who have been disqualified, debarred or excluded from healthcare programs. Since January 1, 2023, no clinical trial conducted by or on behalf of Parent or its Subsidiaries have been terminated or suspended prior to completion, and no clinical investigator who has participated or is participating in, or institutional review board that has or has had jurisdiction over, a clinical trial conducted by or on behalf of Parent has placed a partial or full clinical hold order on, or otherwise terminated, delayed or suspended, such a clinical trial at a clinical research site based on an actual or alleged lack of safety or efficacy of any Parent Product or a failure to conduct such clinical trial in compliance with applicable Health Care Laws.

(e) All manufacturing operations conducted by or, to the knowledge of Parent, for the benefit of Parent have been and are being conducted in material compliance with all Permits and all applicable Health Care Laws.

(f) Parent has not received from any Governmental Body any written communication that relates to an alleged material violation of any Health Care Laws, including any notification of any pending or threatened claim, suit, proceeding, hearing, enforcement, investigation, arbitration, import detention or refusal, FDA Warning Letter or Untitled Letter, or any similar action by a Governmental Body relating to any Health Care Laws.

(g) There have been no seizures, withdrawals, recalls, detentions, or suspensions of manufacturing, testing, or distribution relating to the Parent Products required or requested by a Governmental Body, or other notice of action relating to an alleged lack of safety, efficacy, or regulatory compliance of the Parent Products, or any adverse experiences relating to the Parent Products that have been reported to FDA or another Governmental Body (“*Parent Safety Notices*”), and, to the knowledge of Parent, there are no facts or circumstances that reasonably would be expected to give rise to a Parent Safety Notice.

(h) Neither Parent, nor, to the knowledge of Parent, any officer, employee or agent of Parent has made an untrue statement of a material fact or fraudulent or misleading statement to a Governmental Body, failed to disclose a material fact required to be disclosed to a Governmental Body, or committed an act, made a statement, or failed to make a statement that would reasonably be expected to provide a basis for the FDA to invoke its FDA Ethics Policy. Neither the Parent, nor, to the knowledge of the Parent, any officer, employee or agent of the Parent is or has been under investigation resulting from any allegedly untrue, fraudulent, misleading, or false statement or omission, including data fraud, or had any action pending or threatened relating to the FDA Ethics Policy.

(i) All reports, documents, claims, Permits and notices required to be filed, maintained or furnished to the FDA or any Governmental Body by Parent have been so filed, maintained or furnished, except where failure to file, maintain or furnish such reports, documents, claims, Permits or notices has not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect. All such reports, documents, claims, Permits and notices were true and complete in all material respects on the date filed (or were corrected in or supplemented by a subsequent filing).

(j) Neither Parent nor, to the knowledge of Parent, any officer, employee or agent of Parent has been convicted of any crime or engaged in any conduct that has resulted, or would reasonably be expected to result, in listing on the General Services Administrative System for Award Management or other published list of parties excluded from federal procurement programs and non-procurement programs or in debarment under applicable Law, or including, without limitation, 21 U.S.C. § 335a, or exclusion under 42 U.S.C. § 1320a-7, or any other statutory provision or similar law applicable in other jurisdictions in which the Parent Products are sold or intended to be sold. Neither Parent nor, to the knowledge of Parent, any officer, employee or agent of Parent, has been excluded from participation in any federal health care program or convicted of any crime or engaged in any conduct for which such Person could be excluded from participating in any federal health care program under Section 1128 of the Social Security Act of 1935, or any similar Health Care Law or program.

(k) Parent is not, and has not been, a “business associate,” “covered entity,” or “subcontractor” under HIPAA as those terms are defined in 42 C.F.R. § 160.103 and, since January 1, 2023, has been in material compliance with any Privacy Laws applicable to health information, including HIPAA, in Parent’s possession to the extent applicable to Parent.

3.12 Benefit Plans.

(a) Section 3.12(a) of the Parent Disclosure Schedule contains a true and complete list of each Parent Benefit Plan (other than form equity award agreements and awards made pursuant to such form(s), which

form(s) shall have been provided to the Company). For purposes of this Agreement, “**Parent Benefit Plan**” means each “employee benefit plan” (within the meaning of section 3(3) of ERISA, whether or not subject to ERISA), and each stock purchase, stock option, phantom stock or other equity-based plan or award, severance, employment, change-in-control, fringe benefit, bonus, incentive, deferred compensation, supplemental retirement, health, life, or disability insurance, dependent care and each other employee benefit and compensation plan, agreement, program, policy or other arrangement, whether or not subject to ERISA, whether formal or informal, written or oral, legally binding or not, under which any current or former employee, director or individual consultant of Parent or its Subsidiaries (or any of their dependents) has any present or future right to compensation or benefits or Parent or any of its Subsidiaries sponsors or maintains, is making contributions to or has any present or future liability or obligation (contingent or otherwise) or with respect to which it is otherwise bound. Parent has provided or made available to the Company a current, accurate and complete copy of each Parent Benefit Plan, or if such Parent Benefit Plan is not in written form, a written summary of all of the material terms of such Parent Benefit Plan.

(b) Neither Parent, its Subsidiaries or any member of their Controlled Group (defined as any organization which is, or was at the applicable time, a member of a controlled, affiliated or otherwise related group of entities within the meaning of Code Section 414(b), (c), (m) or (o)) has ever sponsored, maintained, contributed to or been required to contribute to or incurred any liability (contingent or otherwise) with respect to: (i) a “multiemployer plan” (within the meaning of ERISA section 3(37)), (ii) a Pension Plan that is subject to Title IV of ERISA or Section 412 of the Code, or (iii) a Pension Plan which is a “multiple employer plan” as defined in Section 413 of the Code.

(c) With respect to the Parent Benefit Plans:

(i) each Parent Benefit Plan complies in all material respects with its terms and with the applicable provisions of ERISA and the Code and all other applicable legal requirements;

(ii) each Parent Benefit Plan intended to be qualified under Section 401(a) of the Code has received a favorable determination, advisory and/or opinion letter, as applicable, from the IRS that it is so qualified and nothing has occurred to the knowledge of the Parent since the date of such letter that would reasonably be expected to result in the loss of the sponsor’s ability to rely upon such letter or of the qualified status of such Parent Benefit Plan;

(iii) there is no material Legal Proceeding (including any investigation, audit or other administrative proceeding) by the Department of Labor, the PBGC, the IRS or any other Governmental Body or by any plan participant or beneficiary pending, or to the knowledge of Parent, threatened, relating to the Parent Benefit Plans (other than routine claims for benefits);

(iv) none of the Parent Benefit Plans currently provides or represents any liability to provide post-termination or retiree welfare benefits to any person for any reason, except as may be required by COBRA, and none of Parent, its Subsidiaries or any members of its Controlled Group has any liability to provide post-termination or retiree welfare benefits to any person or ever represented, promised or contracted to any employee or former employee of Parent (either individually or to Parent employees as a group) or any other person that such employee(s) or other person would be provided with post-termination or retiree welfare benefits, except to the extent required by statute or except with respect to a contractual obligation to reimburse any premiums such person may pay in order to obtain health coverage under COBRA;

(v) each Parent Benefit Plan is subject exclusively to United States Law; and

(vi) the execution and delivery of this Agreement and the consummation of the Merger will not, either alone or in combination with any other event, (A) entitle any current or former employee, officer, director or individual consultant of Parent or any Subsidiary to severance pay or any other termination payment

or other compensation or benefits (B) accelerate the time of payment or vesting, or increase the amount of or otherwise enhance any benefit due to any such employee, officer, director or consultant (C) result in a requirement to fund or set aside assets with respect to any Parent Benefit Plan or (D) restrict any rights of Parent to amend or terminate any Parent Benefit Plan.

(d) Neither Parent nor any Subsidiary is a party to any agreement, Contract, arrangement or plan (including any Parent Benefit Plan) that may reasonably be expected to result, separately or in the aggregate, in connection with the Contemplated Transactions (either alone or in combination with any other events), in the payment of any “parachute payments” within the meaning of Section 280G of the Code. There is no agreement, plan or other arrangement to which any of Parent or any Subsidiary is a party or by which any of them is otherwise bound to compensate any person in respect of Taxes or other liabilities incurred with respect to Section 409A or 4999 of the Code.

3.13 Labor and Employment Matters

(a) Parent and its Subsidiaries are and since January 1, 2023, have been in compliance in all material respects with all applicable Laws relating to labor and employment, including those relating to employment practices, terms and conditions of employment, collective bargaining, disability, immigration, health and safety, wages, hours and benefits, non-discrimination in employment, workers’ compensation, unemployment compensation, equal employment opportunity, discrimination, harassment, employee and contractor classification, information privacy and security, and continuation coverage with respect to group health plans. During the preceding three years, there has not been, and as of the date of this Agreement there is not pending or, to the knowledge of Parent, threatened, any labor dispute, work stoppage, labor strike or lockout against Parent or any of its Subsidiaries by employees.

(b) No employee of Parent or any of its Subsidiaries is covered by an effective or pending collective bargaining agreement or similar labor agreement. To the knowledge of Parent, there has not been any activity on behalf of any labor union, labor organization or similar employee group to organize any employees of Parent or any of its Subsidiaries. There are no (i) unfair labor practice charges or complaints against Parent or any of its Subsidiaries pending before the National Labor Relations Board or any other labor relations tribunal or authority and, to the knowledge of Parent, no such representations, claims or petitions are threatened, (ii) representation claims or petitions pending before the National Labor Relations Board or any other labor relations tribunal or authority or (iii) grievances or pending arbitration proceedings against Parent or any of its Subsidiaries that arose out of or under any collective bargaining agreement.

(c) During the preceding three years, (i) neither Parent nor any Subsidiary has effectuated a “plant closing” (as defined in the WARN Act) affecting any site of employment or one or more facilities or operating units within any site of employment or facility, (ii) there has not occurred a “mass layoff” (as defined in the WARN Act) in connection with Parent or any Subsidiary affecting any site of employment or one or more facilities or operating units within any site of employment or facility and (iii) neither Parent nor any Subsidiary has engaged in layoffs or employment terminations sufficient in number to trigger application of any similar state, local or foreign law. The Parent and its Subsidiaries currently properly classify and for the past three (3) years have classified its and their employees as exempt or nonexempt in accordance with applicable overtime laws, and no person treated as an independent contractor or consultant by Parent or any Subsidiary within the past three (3) years should have been classified as an employee under applicable Law, except where such action would not, individually or in the aggregate, result in Parent incurring a material liability.

(d) With respect to any current or former employee, officer, consultant or other service provider of Parent, there are no Legal Proceedings against Parent or any of its Subsidiaries pending, or to Parent’s knowledge, threatened to be brought or filed, in connection with the employment or engagement of any current or former employee, officer, consultant or other service provider of Parent, including, without limitation, any claim relating to employment discrimination, harassment, retaliation, equal pay, employment classification or

any other employment-related matter arising under applicable Laws, except where such action would not, individually or in the aggregate, result in Parent incurring a material liability.

(e) Except with respect to any Parent Benefit Plan (which subject is addressed in [Section 3.12](#) above), the execution of this Agreement and the consummation of the transactions set forth in or contemplated by this Agreement will not result in any breach or violation of, or cause any payment to be made under, any applicable Laws respecting labor and employment or any collective bargaining agreement to which Parent or any of its Subsidiaries is a party.

(f) Since January 1, 2023, (i) no allegations of workplace sexual harassment, discrimination or other material misconduct have been made, initiated, filed or, to the knowledge of Parent, threatened against Parent, any of its Subsidiaries or any of their respective current or former directors, officers or senior-level management employees, (ii) to the knowledge of Parent, no incidents of any such workplace sexual harassment, discrimination or other material misconduct have occurred, and (iii) Parent has not entered into any settlement agreement related to allegations of sexual harassment, discrimination or other material misconduct by any of its directors, officers or employees described in clause (i).

3.14 Environmental Matters. Except as, individually or in the aggregate, has not had and would not reasonably be expected to have a Parent Material Adverse Effect, (i) Parent and each of its Subsidiaries have conducted their respective businesses in compliance with all, and have not violated any, applicable Environmental Laws; (ii) Parent and its Subsidiaries have obtained all Permits of all Governmental Bodies and any other Person that are required under any Environmental Law; (iii) there has been no release of any Hazardous Substance by Parent or any of its Subsidiaries or any other Person in any manner that has given or would reasonably be expected to give rise to any remedial or investigative obligation, corrective action requirement or liability of Parent or any of its Subsidiaries under applicable Environmental Laws; (iv) neither Parent nor any of its Subsidiaries has received any claims, notices, demand letters or requests for information (except for such claims, notices, demand letters or requests for information the subject matter of which has been resolved prior to the date of this Agreement) from any federal, state, local, foreign or provincial Governmental Body or any other Person asserting that Parent or any of its Subsidiaries is in violation of, or liable under, any Environmental Law; (v) no Hazardous Substance has been disposed of, arranged to be disposed of, released or transported in violation of any applicable Environmental Law, or in a manner that has given rise to, or that would reasonably be expected to give rise to, any liability under any Environmental Law, in each case, on, at, under or from any current or former properties or facilities owned or operated by Parent or any of its Subsidiaries or as a result of any operations or activities of Parent or any of its Subsidiaries at any location and, to the knowledge of Parent, Hazardous Substances are not otherwise present at or about any such properties or facilities in amount or condition that has resulted in or would reasonably be expected to result in liability to Parent or any of its Subsidiaries under any Environmental Law; and (vi) neither Parent, its Subsidiaries nor any of their respective properties or facilities are subject to, or are threatened to become subject to, any liabilities relating to any suit, settlement, court order, administrative order, regulatory requirement, judgment or claim asserted or arising under any Environmental Law or any agreement relating to environmental liabilities.

3.15 Taxes.

(a) Parent and each of its Subsidiaries has (i) timely filed all income and other material Tax Returns required to be filed by or on behalf of them (taking into account any applicable extensions thereof) and all such Tax Returns are true, accurate and complete in all material respects; and (ii) timely paid in full (or caused to be timely paid in full) all material Taxes that are due and payable, whether or not such Taxes were shown as due on such Tax Returns.

(b) All material Taxes not yet due and payable by Parent or any of its Subsidiaries as of the date of the Parent Balance Sheet have been, in all material respects, properly accrued in accordance with GAAP on the financial statements (including the related notes and schedules thereto) included (or incorporated by reference) in

the Parent SEC Documents, and such financial statements (including the related notes and schedules thereto) included (or incorporated by reference) in the Parent SEC Documents reflect an adequate reserve (in accordance with GAAP) for all material Taxes accrued but unpaid by Parent and each of its Subsidiaries through the date of such financial statements. Since the date of the Parent Balance Sheet, neither Parent nor any of its Subsidiaries has incurred, individually or in the aggregate, any liability for Taxes outside the Ordinary Course of Business.

(c) Neither Parent nor any of its Subsidiaries has executed any waiver of any statute of limitations on, or extended the period for the assessment or collection of, any material amount of Tax, in each case that has not since expired.

(d) No material Tax Actions with respect to Taxes or any Tax Return of Parent or any of its Subsidiaries are presently in progress or have been asserted, threatened or proposed in writing, other than any such assertion, threat or proposal that has been settled or withdrawn. No deficiencies or claims for a material amount of Taxes have been claimed, proposed, assessed or asserted in writing against Parent or any of its Subsidiaries by a Governmental Body, other than any such claim, proposal, assessment or assertion that has been satisfied by payment in full, settled or withdrawn.

(e) Parent and each of its Subsidiaries have timely withheld or deducted all material Taxes required to have been withheld or deducted from payments made (or deemed made) to their employees, independent contractors, creditors, shareholders and other third parties and, to the extent required, such material Taxes have been timely paid to the relevant Governmental Body.

(f) Neither Parent nor any of its Subsidiaries has engaged in a “listed transaction” as set forth in Treasury Regulations § 1.6011-4(b).

(g) Neither Parent nor any of its Subsidiaries (i) is a party to or bound by, nor has any liability pursuant to, any Tax sharing, allocation, indemnification or similar agreement or obligation other than any Ordinary Course Agreement; (ii) is or has ever been a member of a group (other than a group the common parent of which is Parent) filing a consolidated, combined, affiliated, unitary or similar income Tax Return; (iii) has any liability for the Taxes of any Person (other than Parent and its Subsidiaries) pursuant to Treasury Regulations § 1.1502-6 (or any similar provision of state, local or non-U.S. Law) as a transferee or successor, by Contract (other than Ordinary Course Agreements), or otherwise by operation of Law; and (iv) is or has ever been treated as a resident for any income Tax purpose, or as subject to Tax by virtue of having a permanent establishment, an office or fixed place of business, in any country other than the country in which it was or is organized.

(h) No private-letter rulings, technical advice memoranda, or similar material agreements or rulings related to Taxes have been requested in writing, entered into or issued by any taxing authority with respect to Parent or any of its Subsidiaries which rulings remain in effect.

(i) Neither Parent nor any of its Subsidiaries will be required to include any material item of income in, or exclude any material item of deduction from, taxable income for any taxable period (or portion thereof) ending after the Closing Date as a result of (i) a change in method of accounting requested or initiated, or use of improper method of accounting, on or prior to the Closing Date, (ii) a “closing agreement” as described in Section 7121 of the Code (or any similar provision of state, local or foreign Tax Law) executed on or prior to the Closing Date, (iii) an installment sale or open-transaction disposition made on or prior to the Closing Date, (iv) any deferred intercompany gain or excess-loss account described in Treasury Regulations under Section 1502 of the Code (or any corresponding or similar provision of state, local or foreign income Tax Law), (v) an election under Section 965 of the Code, or (vi) the application of Section 951 or 951A of the Code with respect to income earned or recognized or payments received prior to the Closing.

(j) There are no Encumbrances for Taxes upon any of the assets of Parent or any of its Subsidiaries other than Encumbrances described in clause (i) of the definition of Permitted Encumbrances.

(k) Neither Parent nor any of its Subsidiaries has distributed stock of another Person or has had its stock distributed by another Person, in a transaction (or series of transactions) that was purported or intended to be governed in whole or in part by Section 355 or 361 of the Code.

(l) Neither Parent nor any of its Subsidiaries has been a United States real property holding corporation, as defined in Section 897(c)(2) of the Code, during the applicable period specified in Section 897(c)(1)(A)(ii) of the Code.

(m) No material claim has been made in writing by any Governmental Body in a jurisdiction where Parent or any of its Subsidiaries has not paid a specific Tax or filed a specific Tax Return that Parent or any of its Subsidiaries is or may be required to pay such Tax or file such Tax Return by such jurisdiction.

(n) Section 3.15(n) of the Parent Disclosure Schedule sets forth the entity classification of Parent and each of its Subsidiaries for U.S. federal income tax purposes. Neither Parent nor any of its Subsidiaries has made an election or taken any other action to change its federal and state income tax classification from such classification.

(o) To Parent's knowledge, neither Parent nor any of its Subsidiaries has been, is, or immediately prior to the Effective Time will be, treated as an "investment company" within the meaning of Section 368(a)(2)(F) of the Code.

(p) Neither Parent nor any of its Subsidiaries has taken any action (or agreed to take any action) nor does it know of any fact or circumstance that would reasonably be expected to prevent or impede the Merger from qualifying for the Intended Tax Treatment.

3.16 Contracts.

(a) Section 3.16(a) of the Parent Disclosure Schedule lists the following Contracts (other than Parent Benefit Plans) (a) to which Parent or any of its Subsidiaries is a party; (b) by which Parent or its Subsidiaries or any Intellectual Property owned or purported to be owned by, assigned to, or exclusively licensed by, Parent or its Subsidiaries or any other asset of Parent or its Subsidiaries are or may become bound or under which Parent or its Subsidiaries have, or may become subject to, any obligation; or (c) under which Parent or its Subsidiaries have or may acquire any right or interest, in effect as of the date of this Agreement (all such Contracts, "**Parent Material Contracts**"):

(i) each Contract relating to the disposition or acquisition of material assets or any ownership interest in any entity, except as contemplated hereby;

(ii) each Contract relating to any mortgages, indentures, loans, notes or credit agreements, security agreements or other agreements or instruments relating to the borrowing of money or extension of credit or creating any material Encumbrances with respect to any assets of Parent or its Subsidiaries or any loans or debt obligations with officers or directors of Parent or its Subsidiaries;

(iii) each Contract requiring payment by or to Parent or its Subsidiaries after the date of this Agreement in excess of \$125,000 in the aggregate in the current calendar year or any future calendar year pursuant to its express terms relating to: (A) any agreement under which a third party is granted rights related to the sale or distribution of any product of Parent or its Subsidiaries (identifying any that contain exclusivity provisions); (B) any agreement (other than a Parent Benefit Plan) involving provision of services with respect to any pre-clinical or clinical development activities of Parent or its Subsidiaries; (C) any dealer, distributor, joint marketing, alliance, joint venture, cooperation, development or other agreement currently in force under which Parent or its Subsidiaries have continuing obligations to develop or market any product, technology or service, or any agreement pursuant to which Parent or its Subsidiaries have continuing obligations to develop any

Intellectual Property that will not be owned, in whole or in part, by Parent or its Subsidiaries; or (D) any Contract under which any third party provides any services relating to the manufacture (in whole or in part) of any product of Parent or its Subsidiaries;

(iv) each Contract containing (A) a covenant limiting the freedom of Parent or any Subsidiary to engage in any line of business or compete with any Person, or limiting the development, manufacture or distribution of the Parent's products or services, (B) any most-favored pricing arrangement, (C) any exclusivity provision, (D) any agreement to purchase minimum quantity of goods or services or (E) any non-solicitation provision;

(v) each Parent In-bound License;

(vi) each Parent Out-bound License;

(vii) each Contract requiring the payment of any royalty, dividend or similar arrangement based on the revenues or profits of Parent or its Subsidiaries;

(viii) each Contract, offer letter, employment agreement, consulting or independent contractor agreement with any employee, independent contractor, consultant or other natural person service provider that (A) is not immediately terminable at will by the Parent or its Subsidiaries without notice, severance or other cost or payment, except as required under applicable Law, or (B) provides for retention payments, change of control payments, severance, accelerated vesting, or any similar payment or benefit that may or will become due as a result of the Merger; and

(ix) any other Contract that is not terminable at will (with no penalty or payment or requirement for more than 30 days' prior notice, except as required by applicable law) by Parent or its Subsidiaries and which involves payment or receipt by Parent or its Subsidiaries after the date of this Agreement under any such Contract of more than \$125,000 in the aggregate, or obligations after the date of this Agreement in excess of \$125,000 in the aggregate.

(b) Except as set forth in the Parent SEC Documents publicly available prior to the date of this Agreement, neither Parent nor any of its Subsidiaries is a party to or is bound by any "material contract" (as such term is defined in Item 601(b)(10) of Regulation S-K under the Securities Act, excluding, however, any Parent Benefit Plans).

(c) (i) Each Parent Material Contract is valid and binding on Parent and any of its Subsidiaries to the extent such Subsidiary is a party thereto, as applicable, and to the knowledge of Parent, each other party thereto, and is in full force and effect and enforceable in accordance with its terms; (ii) Parent and each of its Subsidiaries, and, to the knowledge of Parent, each other party thereto, has performed all material obligations required to be performed by themselves under each Parent Material Contract; and (iii) there is no material default under any Parent Material Contract by Parent or any of its Subsidiaries or, to the knowledge of Parent, any other party thereto, and no event or condition has occurred that constitutes, or, after notice or lapse of time or both, would constitute, a material default on the part of Parent or any of its Subsidiaries or, to the knowledge of Parent, any other party thereto under any such Parent Material Contract, nor has Parent or any of its Subsidiaries received written notice of any such material default, event or condition. Parent has made available to the Company true and complete copies of all Parent Material Contracts, including all amendments there.

3.17 Insurance. Each of Parent and its Subsidiaries is covered by valid and currently effective insurance policies issued in favor of Parent or one or more of its Subsidiaries that are customary and adequate for companies of similar size in the industries and locations in which Parent operates. Section 3.17 of the Parent Disclosure Schedule sets forth, as of the date hereof, a true and complete list of all material insurance policies issued in favor of Parent or any of its Subsidiaries, or pursuant to which Parent or any of its Subsidiaries is a

named insured or otherwise a beneficiary, as well as any historic incurrence-based policies still in force. With respect to each such insurance policy, (a) such policy is in full force and effect and all premiums due thereon have been paid, (b) neither Parent nor any of its Subsidiaries is in breach or default, and has not taken any action or failed to take any action which (with or without notice or lapse of time, or both) would constitute such a breach or default, or would permit termination or modification of, any such policy and (c) to the knowledge of Parent, no insurer issuing any such policy has been declared insolvent or placed in receivership, conservatorship or liquidation. No notice of cancellation or termination has been received with respect to any such policy, nor, to the knowledge of Parent, will any such cancellation or termination result from the consummation of the Contemplated Transactions.

3.18 Properties.

(a) Parent or one of its Subsidiaries has good and valid title to, or in the case of leased property and leased tangible assets, a valid leasehold interest in, all of its real properties and tangible assets that are necessary for Parent and its Subsidiaries to conduct their respective businesses as currently conducted, free and clear of all Encumbrances other than Permitted Encumbrances. Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect, the tangible personal property currently used in the operation of the business of Parent and its Subsidiaries is in good working order (reasonable wear and tear excepted).

(b) Each of Parent and its Subsidiaries has complied with the terms of all leases to which it is a party, and all such leases are in full force and effect, except for any such noncompliance or failure to be in full force and effect that, individually or in the aggregate, has not had and would not reasonably be expected to have a Parent Material Adverse Effect. Each of Parent and its Subsidiaries enjoys peaceful and undisturbed possession under all such leases, except for any such failure to do so that, individually or in the aggregate, has not had and would not reasonably be expected to have a Parent Material Adverse Effect.

(c) Section 3.18(c) of the Parent Disclosure Schedule sets forth a true and complete list of (i) all real property owned by Parent or any of its Subsidiaries and (ii) all real property leased for the benefit of Parent or any of its Subsidiaries.

(d) This Section 3.18 does not relate to intellectual property, which is the subject of Section 3.19.

3.19 Intellectual Property.

(a) Section 3.19(a) of the Parent Disclosure Schedule sets forth a true and complete list of all (i) material patents and patent applications; (ii) material trademark registrations and applications; and (iii) material copyright registrations and applications, in each case not related solely to RLYB212 and owned by Parent and its Subsidiaries (collectively, “**Parent Registered IP**”) and a true and complete list of all domain names owned or exclusively licensed by Parent and its Subsidiaries. Except as, individually or in the aggregate, has not had and would not reasonably be expected to have a Parent Material Adverse Effect (A) all of the Parent Registered IP is subsisting and, in the case of any Parent Registered IP that is registered or issued to the knowledge of Parent, valid and enforceable, (B) no Parent Registered IP is involved in any interference, reissue, derivation, reexamination, opposition, cancellation or similar proceeding and, to the knowledge of Parent, no such action is threatened with respect to any of the Parent Registered IP and (C) Parent or its Subsidiaries own exclusively, free and clear of any and all Encumbrances (other than Permitted Encumbrances), all Parent Owned IP, including all Intellectual Property created on behalf of Parent or its Subsidiaries by its employees or independent contractors.

(b) Section 3.19(b) of the Parent Disclosure Schedule accurately identifies all Contracts pursuant to which any material Intellectual Property is licensed to Parent or its Subsidiaries (other than (i) any non-customized software that (A) is so licensed solely in executable or object code form pursuant to a

nonexclusive, internal-use software license and other Intellectual Property associated with such software and (B) is not incorporated into any of Parent's or its Subsidiaries' products, (ii) any Intellectual Property licensed on a nonexclusive basis where the license is incidental to the primary purpose of the relevant Contract or the provision of services to Parent, (iii) any material transfer agreements, non-disclosure agreements, research agreements, clinical trial agreements, services agreements, off-the-shelf software licenses and generally-available patent license agreements and (iv) agreements between Parent and any of its Subsidiaries and their employees in Parent's standard form thereof) (each a "**Parent In-bound License**", and the underlying Intellectual Property, the "**Parent Licensed IP**").

(c) Section 3.19(c) of the Parent Disclosure Schedule accurately identifies each Contract pursuant to which any Person has been granted any license or covenant not to sue under any Parent Owned IP or Parent Licensed IP (other than (i) any material transfer agreements, non-disclosure agreements, research agreements, clinical trial agreements and services agreements and (ii) any Parent Owned IP or Parent Licensed IP nonexclusively licensed in the Ordinary Course of Business and that does not grant any commercial rights to any product of Parent or its Subsidiaries) (each a "**Parent Out-bound License**").

(d) To the knowledge of Parent, the Parent Owned IP and the Parent Licensed IP constitutes all Intellectual Property necessary for Parent and its Subsidiaries to conduct their business as currently conducted; provided, however, that the foregoing representation is not a representation with respect to non-infringement of Intellectual Property.

(e) Parent and its Subsidiaries have taken commercially reasonable measures to maintain the confidentiality of all information that constitutes a material trade secret of Parent or its Subsidiaries, including requiring all Persons having access thereto to execute written non-disclosure agreements or other binding obligations to maintain confidentiality of such information.

(f) Except as, individually or in the aggregate, has not had and would not reasonably be expected to have a Parent Material Adverse Effect, (i) to the knowledge of Parent, the conduct of the businesses of Parent and its Subsidiaries, including the manufacture, marketing, offering for sale, sale, importation, use or intended use (as currently contemplated) or other disposal of any product as currently sold or under development by Parent or its Subsidiaries, has not infringed, misappropriated or diluted, and does not infringe, misappropriate or dilute, any Intellectual Property of any Person, (ii) neither Parent nor any of its Subsidiaries has received any written notice or claim asserting or suggesting that any such infringement, misappropriation, or dilution is or may be occurring or has or may have occurred and (iii) to the knowledge of Parent, no Person is infringing, misappropriating, or diluting in any material respect any Parent Registered IP or Parent Licensed IP.

(g) Except as, individually or in the aggregate, has not had and would not reasonably be expected to have a Parent Material Adverse Effect, (i) Parent and its Subsidiaries have taken commercially reasonable steps to protect the confidentiality and security of the computer and information technology systems owned, licensed and used by Parent and its Subsidiaries (the "**Parent IT Systems**") and the information and transactions stored or contained therein or transmitted thereby, (ii) to the knowledge of Parent, since January 1, 2023, there has been no unauthorized or improper use, loss, access, transmittal, modification or corruption of any such Parent IT Systems, and (iii) since January 1, 2023, there have been no material failures, crashes, viruses, or security breaches (including any unauthorized access to any personally identifiable information), affecting the Parent IT Systems.

(h) Except as, individually or in the aggregate, has not had and would not reasonably be expected to have a Parent Material Adverse Effect, (i) to the knowledge of Parent, Parent and its Subsidiaries have at all times since January 1, 2023, complied in all material respects with all applicable Privacy Laws, (ii) since January 1, 2023, no claims have been received by Parent or, to the knowledge of Parent, threatened in writing against Parent alleging Parent a violated any applicable Privacy Law, (iii) neither Parent's performance of this Agreement nor Parent's consummation of the Contemplated Transactions will breach or otherwise violate any

applicable Privacy Laws and (iv) Parent and its Subsidiaries have taken commercially reasonable steps to protect the Personal Information collected, used or held for use by Parent or its subsidiaries against unauthorized loss, access, use, modification, disclosure or other misuse.

(i) To the knowledge of Parent, no government funding, facilities or resources of a university, college, other educational institution or research center or funding from third parties was used in the development of the Parent Owned IP or, to the knowledge of Parent, Parent Licensed IP exclusively licensed to Parent, and no Governmental Body, university, college, other educational institution or research center has, to the knowledge of Parent, any claim or right in or to the Parent Owned IP.

(j) The execution, delivery and performance by Parent of this Agreement, and the consummation of the Contemplated Transactions, will not result in the loss of, or give rise to any right of any third party to terminate or modify any of Parent's or any Subsidiaries' rights or obligations under any Parent Out-bound License or Parent In-bound License.

3.20 Related Party Transactions. Since January 1, 2023 through the date of this Agreement, there have been no transactions, agreements, arrangements or understandings between Parent or any of its Subsidiaries, on the one hand, and the affiliates of Parent, on the other hand (other than Parent's Subsidiaries), that would be required to be disclosed under Item 404 of Regulation S-K under the Securities Act and that have not been so disclosed in the Parent SEC Documents.

3.21 Certain Payments. Neither Parent nor any of its Subsidiaries (nor, to the knowledge of Parent, any of their respective directors, executives, representatives, agents or employees) has, directly or indirectly, made any bribes, rebates, payoffs, influence payments, kickbacks, illegal payments, illegal political contributions, or other payments, in the form of cash, gifts, or otherwise, or taken any other action, in violation of the Anti-Bribery Laws. Parent is not, nor has it been the subject of any investigation or inquiry by any Governmental Body with respect to potential violations of Anti-Bribery Laws.

3.22 Brokers. No broker, investment banker, financial advisor or other Person, other than Evercore Group, L.L.C. and Citizens JMP Securities, LLC, the fees and expenses of which will be paid by Parent, is entitled to any broker's, finder's, financial advisor's or other similar fee or commission in connection with the Contemplated Transactions based upon arrangements made by or on behalf of Parent.

3.23 Opinion of Financial Advisor. The Parent Board has received the opinion of Citizens JMP Securities, LLC, dated the date of this Agreement, to the effect that, as of such date and based upon and subject to the qualifications, limitations, assumptions and other matters set forth therein, the Exchange Ratio is fair, from a financial point of view, to Parent, a signed true and complete copy of which opinion has been or will promptly be provided to the Company.

3.24 Merger Sub. Merger Sub was formed solely for the purpose of engaging in the Merger and the other Contemplated Transactions and has engaged in no business other than in connection with the Contemplated Transactions.

3.25 State Takeover Statutes. No Takeover Statute or any similar anti-takeover provision in the Certificate of Incorporation or Bylaws of Parent applicable to Parent is, or at the Effective Time will be, applicable to this Agreement, the Merger, or any of the other Contemplated Transactions.

3.26 No Other Representations or Warranties. Except for the representations and warranties contained in Section 2, each of Parent and Merger Sub acknowledges and agrees that none of the Company or any other Person on behalf of the Company makes any other express or implied representation or warranty whatsoever, and specifically (but without limiting the generality of the foregoing) that none of the Company or any other Person on behalf of the Company or any of its Subsidiaries makes any representation or warranty with respect to any

projections or forecasts delivered or made available to Parent, Merger Sub or any of their respective Subsidiaries or Representatives of future revenues, results of operations (or any component thereof), cash flows or financial condition (or any component thereof) of the Company (including any such projections or forecasts made available to Parent, Merger Sub or any of their respective Subsidiaries or Representatives in certain “data rooms” or management presentations in expectation of the Contemplated Transactions), and none of Parent or Merger Sub has relied on any such information or any representation or warranty not set forth in [Section 2](#).

Section 4. CERTAIN COVENANTS OF THE PARTIES

4.1 Operation of Parent’s Business.

(a) Except (i) as set forth on [Section 4.1\(a\)](#) of the Parent Disclosure Schedule, (ii) as expressly permitted by or required in accordance with this Agreement, including in connection with the Asset Dispositions pursuant to [Section 4.7](#), (iii) as required by applicable Law, or (iv) as may be consented to in writing by the Company (which consent shall not be unreasonably withheld, conditioned or delayed), during the period commencing on the date of this Agreement and continuing until the earlier to occur of the termination of this Agreement pursuant to [Section 9](#) and the Effective Time (the “**Pre-Closing Period**”), each of Parent and its Subsidiaries shall (A) conduct its business and operations in the Ordinary Course of Business and in compliance in all material respects with all applicable Laws and the requirements of all Contracts that constitute Parent Material Contracts, and (B) continue to pay material outstanding accounts payable and other material current liabilities (including payroll) in the Ordinary Course of Business.

(b) Except (i) as expressly permitted by this Agreement, (ii) as set forth on [Section 4.1\(b\)](#) of the Parent Disclosure Schedule, (iii) as required by applicable Law, (iv) in connection with the Asset Dispositions pursuant to [Section 4.7](#) or the winding down of Parent’s pre-clinical, CMC and clinical activities (including the termination of ongoing contractual obligations related to parent’s current products or product candidates) pursuant to [Section 5.22](#), or (v) with the prior written consent of the Company (which consent shall not be unreasonably withheld, conditioned or delayed), at all times during the Pre-Closing Period, Parent shall not, nor shall it cause or permit any of its Subsidiaries to, do any of the following:

(i) declare, accrue, set aside or pay any dividend or make any other distribution in respect of any shares of its capital stock or repurchase, redeem or otherwise reacquire any shares of its capital stock or other securities (except repurchases from terminated employees, directors or consultants of Parent or in connection with the payment of the exercise price or withholding Taxes incurred upon the exercise, settlement or vesting of any award or purchase rights granted under any Parent equity incentive plan in accordance with the terms of such award in effect on the date of this Agreement);

(ii) sell, issue, grant, pledge or otherwise dispose of or encumber or authorize any of the foregoing with respect to: (A) any capital stock or other security of Parent or any of its Subsidiaries (except for shares of Parent Common Stock issued upon the valid exercise or settlement of Parent Stock Awards); (B) any option, warrant or right to acquire any capital stock or any other security; or (C) any instrument convertible into or exchangeable for any capital stock or other security of Parent or any of its Subsidiaries;

(iii) amend the terms of any outstanding Parent Options;

(iv) except as required to give effect to anything in contemplation of the Closing, amend any of its or its Subsidiaries’ certificate of incorporation and bylaws (or comparable organizational documents), or effect or be a party to any merger, consolidation, share exchange, business combination, recapitalization, reclassification of shares, stock split, reverse stock split or similar transaction except, for the avoidance of doubt, the Contemplated Transactions;

(v) form any Subsidiary or acquire any equity interest or other interest in any other Entity or enter into a joint venture with any other Entity;

(vi) (A) lend money to any Person (except for the advancement of reasonable and customary expenses to employees, directors and consultants in the Ordinary Course of Business), (B) incur or guarantee any indebtedness for borrowed money, (C) guarantee any debt securities of others, (D) other than the incurrence or payment of Transaction Expenses, make any capital expenditure in excess of \$50,000, or (E) forgive any loans to any Persons, including Parent's employees, officers, directors or Affiliates;

(vii) other than as required by applicable Law or the terms of any Parent Benefit Plan as in effect on the date of this Agreement: (A) adopt, terminate, establish or enter into any Parent Benefit Plan or any plan or agreement that would be a Parent Benefit Plan if in effect on the date hereof; (B) cause or permit any Parent Benefit Plan to be amended; (C) pay any bonus or make any profit-sharing or similar payment to, or increase the amount of the wages, salary, fringe benefits, commissions, bonus or other compensation or benefits payable to any of its directors, officers, consultants, independent contractors or employees; (D) hire any officer, employee, consultant or independent contractor; (E) modify the terms of any severance, retention or change-of-control benefits offered to any current, former or new employees, directors or consultants (other than acceleration of Parent Stock Awards as contemplated by this Agreement), or (F) grant any new, or modify any existing, severance, retention benefits, change in control award, or similar compensation or benefit to any Person;

(viii) recognize any labor union or labor organization;

(ix) acquire any material asset or sell, lease or otherwise irrevocably dispose of any of its material assets or properties, or grant any Encumbrance with respect to such material assets or properties;

(x) sell, assign, transfer, license, sublicense or otherwise dispose of any Parent Owned IP or any Parent In-bound License;

(xi) make, change or revoke any material Tax election, fail to pay any income or other material Tax as such Tax becomes due and payable (taking into account extensions of time to file any Tax Return granted in the Ordinary Course of Business of not more than seven (7) months), file any amendment making any material change to any Tax Return, settle or compromise any income or other material Tax liability or submit any voluntary disclosure application, enter into any Tax allocation, sharing, indemnification or other similar agreement or arrangement (other than customary commercial contracts entered into in the Ordinary Course of Business the principal subject matter of which is not Taxes), request or consent to any extension or waiver of any limitation period with respect to any claim or assessment for any income or other material Taxes (other than pursuant to an extension of time to file any Tax Return granted in the Ordinary Course of Business of not more than seven (7) months), or adopt or change any material accounting method in respect of Taxes;

(xii) enter into, materially amend or terminate any Parent Material Contract or Contract that would be deemed a Parent Material Contract if entered into prior to the date hereof;

(xiii) other than as required by Law or GAAP, take any action to change accounting policies or procedures;

(xiv) initiate or settle any Legal Proceeding;

(xv) (A) fail to maintain any material insurance policies in full force and effect prior to the renewal period of any such material insurance policies or (B) fail to exercise renewal rights for any such material insurance policies following the applicable expiration or acquire substantially similar insurance policies;

(xvi) enter into or amend a Contract that would reasonably be expected to prevent or materially impede, interfere with, hinder or delay the consummation of the Contemplated Transactions;

(xvii) enter into a new line of business or start to conduct a line of business; or

(xviii) agree, resolve or commit to do any of the foregoing.

(c) Nothing contained in this Agreement shall give the Company, directly or indirectly, the right to control or direct the operations of Parent prior to the Effective Time. Prior to the Effective Time, Parent shall exercise, consistent with the terms and conditions of this Agreement, complete unilateral control and supervision over its business operations.

4.2 Operation of the Company's Business.

(a) Except (i) as set forth on Schedule 4.2(a) of the Company Disclosure Schedule, (ii) as expressly permitted by or required in accordance this Agreement including in connection with the Concurrent Financing pursuant to Section 5.23, (iii) as required by applicable Law, or (iv) as may be consented to in writing by Parent (which consent shall not be unreasonably withheld, conditioned or delayed), during the Pre-Closing Period, the Company shall (A) conduct its business and operations in the Ordinary Course of Business and in compliance in all material respects with all applicable Laws and the requirements of all Contracts that constitute Company Material Contracts, and (B) continue to pay material outstanding accounts payable and other material current liabilities (including payroll) in the Ordinary Course of Business.

(b) Except (i) as expressly permitted by this Agreement, (ii) as set forth on Schedule 4.2(b) of the Company Disclosure Schedule, (iii) as required by applicable Law (iv) in connection with the Concurrent Financing pursuant to Section 5.23, or (v) with the prior written consent of Parent (which consent shall not be unreasonably withheld, conditioned or delayed), at all times during the Pre-Closing Period, the Company shall not, nor shall it cause or permit any of its Subsidiaries to, do any of the following:

(i) declare, accrue, set aside or pay any dividend or make any other distribution in respect of any shares of its capital stock or repurchase, redeem or otherwise reacquire any shares of its capital stock or other securities (except repurchases from terminated employees, directors or consultants of the Company or in connection with the payment of the exercise price or withholding Taxes incurred upon the exercise, settlement or vesting of any award granted under the Company Benefit Plan in accordance with the terms of such award in effect on the date of this Agreement);

(ii) sell, issue, grant, pledge or otherwise dispose of or encumber or authorize any of the foregoing with respect to: (A) any capital stock or other security of the Company or any of its Subsidiaries (except for shares of Company Common Stock issued upon the valid exercise of Company Options); (B) any option, warrant or right to acquire any capital stock or any other security, other than stock options or restricted stock unit awards granted to employees and service providers in the Ordinary Course of Business which are included in the calculation of the Company Outstanding Shares; or (C) any instrument convertible into or exchangeable for any capital stock or other security of the Company or any of its Subsidiaries;

(iii) except as required to give effect to anything in contemplation of the Closing (including in connection with the Concurrent Financing), amend any of its or its Subsidiaries Organizational Documents, or effect or be a party to any merger, consolidation, share exchange, business combination, recapitalization, reclassification of shares, stock split, reverse stock split or similar transaction except, for the avoidance of doubt, the Contemplated Transactions;

(iv) form any Subsidiary or acquire any equity interest or other interest in any other Entity or enter into a joint venture with any other Entity;

(v) (A) lend money to any Person (except for the advancement of reasonable and customary expenses to employees, directors and consultants in the Ordinary Course of Business), (B) incur or guarantee any indebtedness for borrowed money, (C) guarantee any debt securities of others, (D) other than the incurrence or payment of Transaction Expenses, make any capital expenditure in excess of \$1,500,000 of the budgeted capital

expenditure amounts set forth in the Company operating budget delivered to Parent concurrently with the execution of this Agreement (the “**Company Budget**”) or (E) forgive any loans to any Persons, including the Company’s employees, officers, directors or Affiliates;

(vi) recognize any labor union or labor organization;

(vii) acquire any material asset or sell, lease or otherwise irrevocably dispose of any of its material assets or properties, or grant any Encumbrance with respect to such material assets or properties, except in the Ordinary Course of Business;

(viii) dispose of any of its material assets or properties, except in the Ordinary Course of Business;

(ix) sell, assign, transfer, license, sublicense or otherwise dispose of any material Company Owned IP or any material Company Licensed IP, in each case other than pursuant to non-exclusive licenses in the Ordinary Course of Business, the abandonment and refile of patent applications or co-commercialization or partnership transaction, in each case, in the Ordinary Course of Business;

(x) make, change or revoke any material Tax election, fail to pay any income or other material Tax as such Tax becomes due and payable (taking into account extensions of time to file any Tax Return granted in the Ordinary Course of Business of not more than seven (7) months), file any amendment making any material change to any Tax Return, settle or compromise any income or other material Tax liability or submit any voluntary disclosure application, enter into any Tax allocation, sharing, indemnification or other similar agreement or arrangement (other than customary commercial contracts entered into in the Ordinary Course of Business the principal subject matter of which is not Taxes), request or consent to any extension or waiver of any limitation period with respect to any claim or assessment for any income or other material Taxes (other than pursuant to an extension of time to file any Tax Return granted in the Ordinary Course of Business of not more than seven (7) months), or adopt or change any material accounting method in respect of Taxes;

(xi) enter into, materially amend or terminate any Company Material Contract or Contract that would be deemed a Company Material Contract if entered into prior to the date hereof, except in the Ordinary Course of Business;

(xii) except as otherwise consistent with the Company Budget and the incurrence or payment of any Transaction Expenses or other costs or expenses arising as a result of this Agreement and the Contemplated Transactions, make any expenditures or discharge or satisfy any liabilities, in each case, in amounts that exceed the aggregate amount anticipated in the Company Budget by \$1,500,000;

(xiii) other than as required by Law or GAAP, take any action to change accounting policies or procedures;

(xiv) initiate or settle any Legal Proceeding;

(xv) (A) fail to maintain any material insurance policies in full force and effect prior to the renewal period of any such material insurance policies or (B) fail to use commercially reasonable efforts to renew any such material insurance policies following the applicable expiration or acquire substantially similar insurance policies;

(xvi) enter into or amend a Contract that would reasonably be expected to prevent or materially impede, interfere with, hinder or delay the consummation of the Contemplated Transactions;

(xvii) enter into a new line of business or start to conduct a line of business; or

(xviii) agree, resolve or commit to do any of the foregoing.

(c) Nothing contained in this Agreement shall give Parent, directly or indirectly, the right to control or direct the operations of the Company prior to the Effective Time. Prior to the Effective Time, the Company shall exercise, consistent with the terms and conditions of this Agreement, complete unilateral control and supervision over its business operations.

4.3 Access and Investigation.

(a) Subject to the terms of the Confidentiality Agreement, which the Parties agree will continue in full force following the date of this Agreement, during the Pre-Closing Period, upon reasonable notice, Parent, on the one hand, and the Company, on the other hand, shall and shall use commercially reasonable efforts to cause such Party's Representatives to: (a) provide the other Party and such other Party's Representatives with reasonable access during normal business hours to such Party's Representatives, personnel, property and assets and to all existing books, records, Tax Returns, work papers and other documents and information relating to such Party and its Subsidiaries; (b) provide the other Party and such other Party's Representatives with such copies of the existing books, records, Tax Returns, work papers, product data, and other documents and information relating to such Party and its Subsidiaries, and with such additional financial, operating and other data and information regarding such Party and its Subsidiaries as the other Party may reasonably request; (c) permit the other Party's officers and other employees to meet, upon reasonable notice and during normal business hours, with the chief financial officer and other officers and managers of such Party responsible for such Party's financial statements and the internal controls of such Party to discuss such matters as the other Party may reasonably deem necessary or appropriate; and (d) make available to the other Party copies of unaudited financial statements, material operating and financial reports prepared for senior management or the board of directors of such Party, and any material notice, report or other document filed with or sent to or received from any Governmental Body in connection with the Contemplated Transactions. Any investigation conducted by either Parent or the Company pursuant to this [Section 4.3](#) shall be conducted in such manner as not to interfere unreasonably with the conduct of the business of the other Party.

(b) Notwithstanding the foregoing, any Party may restrict the foregoing access to the extent that any Law applicable to such Party requires such Party to restrict or prohibit access to any such properties or information or may redact any of the foregoing documents or reports to the extent necessary to preserve the attorney-client privilege under any circumstances in which such privilege may be jeopardized by such access or the disclosure of such document or report.

4.4 Parent Non-Solicitation.

(a) Parent agrees that, during the Pre-Closing Period, neither it nor any of its Subsidiaries shall, nor shall it or any of its Subsidiaries, authorize any of their respective Representatives to, directly or indirectly, other than relating to communicating, discussing, negotiating or consummating the Asset Dispositions: (i) solicit, initiate or knowingly encourage, induce or facilitate the communication, making, submission or announcement of any Acquisition Proposal or Acquisition Inquiry or take any action that could reasonably be expected to lead to an Acquisition Proposal or Acquisition Inquiry; (ii) furnish any non-public information regarding Parent or any of its Subsidiaries to any Person in connection with or in response to an Acquisition Proposal or Acquisition Inquiry; (iii) engage in discussions (other than to inform any Person of the existence of the provisions in this [Section 4.4](#)) or negotiations with any Person with respect to any Acquisition Proposal or Acquisition Inquiry; (iv) approve, endorse or recommend any Acquisition Proposal (subject to [Section 5.3](#)); (v) execute or enter into any letter of intent or any Contract contemplating or otherwise relating to any Acquisition Transaction (other than a confidentiality agreement permitted under this [Section 4.4\(a\)](#)); or (vi) publicly propose to do any of the foregoing; *provided, however*, that, notwithstanding anything contained in this [Section 4.4](#) and subject to compliance with this [Section 4.4](#), prior to obtaining the Required Parent Stockholder Vote, Parent and its Subsidiaries may furnish non-public information regarding Parent or any of its Subsidiaries to, and enter into discussions or negotiations with, any Person in response to a *bona fide* Acquisition Proposal by such Person,

which the Parent Board determines in good faith, after consultation with Parent's outside financial advisors and outside legal counsel, constitutes, or is reasonably likely to result in, a Superior Offer (and is not withdrawn) if: (A) none of Parent, any of its Subsidiaries or any of their respective Representatives shall have breached this [Section 4.4](#) in any material respect, (B) the Parent Board concludes in good faith based on the advice of outside legal counsel, that the failure to take such action would be inconsistent with the fiduciary duties of the Parent Board under applicable Law; (C) Parent receives from such Person an executed confidentiality agreement containing provisions (including nondisclosure provisions, use restrictions, non-solicitation provisions, no hire and "standstill" provisions), in the aggregate, at least as favorable to Parent as those contained in the Confidentiality Agreement; and (D) substantially contemporaneously with furnishing any such non-public information to such Person, Parent gives the Company notice of Parent's intention to furnish nonpublic information to, or enter into discussions with, such Person and furnishes such non-public information to the Company (to the extent such information has not been previously furnished by Parent to the Company). Without limiting the generality of the foregoing, Parent acknowledges and agrees that, in the event any Representative of Parent or any of its Subsidiaries (whether or not such Representative is purporting to act on behalf of Parent or any of its Subsidiaries) takes any action that, if taken by Parent or any of its Subsidiaries, would constitute a breach of this [Section 4.4](#), the taking of such action by such Representative shall be deemed to constitute a breach of this [Section 4.4](#) by Parent for purposes of this Agreement.

(b) If Parent, any of its Subsidiaries or any of their respective Representatives receives an Acquisition Proposal or Acquisition Inquiry at any time during the Pre-Closing Period, then Parent shall promptly (and in no event later than one (1) Business Day after Parent becomes aware of such Acquisition Proposal or Acquisition Inquiry) (i) advise the Company orally and in writing of such Acquisition Proposal or Acquisition Inquiry (including the identity of the Person making or submitting such Acquisition Proposal or Acquisition Inquiry), (ii) in the case of a written Acquisition Proposal or Acquisition Inquiry, furnish any written documentation and correspondence to or from Parent, any of its Subsidiaries or any of their respective Representatives, including any subsequent modifications or amendments, and (iii) in the case of an oral Acquisition Proposal or Acquisition Inquiry, provide a written summary of the terms thereof. Parent shall keep the Company reasonably and promptly informed with respect to the status and material terms of any such Acquisition Proposal or Acquisition Inquiry, any material modification, amendment or proposed material modification thereto (including any revision in the amount, form or mix of consideration) and of all verbal or written communications related thereto, together with copies of new written documentation and correspondence to or from Parent, any of its Subsidiaries or any of their respective Representatives as well as written summaries of any material oral communications.

(c) Parent shall immediately cease and cause to be terminated any existing discussions, negotiations and communications with any Person that relate to any Acquisition Proposal or Acquisition Inquiry (other than any Asset Disposition) that has not already been terminated as of the date of this Agreement, immediately terminate access to any non-public information of Parent provided to such Person via an electronic or physical data room and within three (3) Business Days after the date of this Agreement, request the destruction or return of any non-public information of Parent or any of its Subsidiaries provided to such Person as soon as practicable after the date of this Agreement.

4.5 Company Non-Solicitation.

(a) The Company agrees that, during the Pre-Closing Period, neither it nor any of its Subsidiaries shall nor shall it or any of its Subsidiaries authorize any of their respective Representatives to, directly or indirectly: (i) solicit, initiate or knowingly encourage, induce or facilitate the communication, making, submission or announcement of any Acquisition Proposal or Acquisition Inquiry or take any action that could reasonably be expected to lead to an Acquisition Proposal or Acquisition Inquiry; (ii) furnish any non-public information regarding the Company or any of its Subsidiaries to any Person in connection with or in response to an Acquisition Proposal or Acquisition Inquiry; (iii) engage in discussions (other than to inform any Person of the existence of the provisions in this [Section 4.5](#)) or negotiations with any Person with respect to any

Acquisition Proposal or Acquisition Inquiry; (iv) approve, endorse or recommend any Acquisition Proposal; (v) execute or enter into any letter of intent or any Contract contemplating or otherwise relating to any Acquisition Transaction; or (vi) publicly propose to do any of the foregoing; *provided, however*, that, notwithstanding anything contained in this [Section 4.5](#) and subject to compliance with this [Section 4.5](#), prior to obtaining the Required Company Stockholder Vote, the Company and its Subsidiaries may solicit any Acquisition Proposal and furnish non-public information regarding the Company or any of its Subsidiaries to, and enter into discussions or negotiations with, any Person, including any Person not making such Acquisition Proposal, following receipt of a *bona fide* Acquisition Proposal by any Person, which the Company Board has determined in good faith, after consultation with the Company's outside financial advisors and outside legal counsel, constitutes, or is reasonably likely to result in, a Superior Offer if: (A) none of the Company, any of its Subsidiaries or any of their respective Representatives shall have breached this [Section 4.5](#) in any material respect, (B) the Company Board concludes in good faith based on the advice of outside legal counsel, that the failure to take such action would be inconsistent with the fiduciary duties of the Company Board under applicable Law; and (C) the Company receives from such Person an executed confidentiality agreement containing provisions, in the aggregate, at least as favorable to the Company as those contained in the Confidentiality Agreement. Without limiting the generality of the foregoing, the Company acknowledges and agrees that, in the event any Representative of the Company or any of its Subsidiaries (whether or not such Representative is purporting to act on behalf of the Company or any of its Subsidiaries) takes any action that, if taken by the Company or any of its Subsidiaries, would constitute a breach of this [Section 4.5](#), the taking of such action by such Representative shall be deemed to constitute a breach of this [Section 4.5](#) by the Company for purposes of this Agreement.

(b) If the Company or any of its Subsidiaries or any of their respective Representatives receives an Acquisition Proposal at any time during the Pre-Closing Period, then the Company shall promptly (and in no event later than one (1) Business Day after the Company becomes aware of such Acquisition Proposal) (i) advise Parent orally and in writing of such Acquisition Proposal (including the identity of the Person making or submitting such Acquisition Proposal), (ii) in the case of a written Acquisition Proposal, furnish any written documentation and correspondence to or from the Company, any of its Subsidiaries or any of their respective Representatives, including any subsequent modifications or amendments, and (iii) in the case of an oral Acquisition Proposal, provide a written summary of the terms thereof. The Company shall keep Parent reasonably and promptly informed with respect to the status and material terms of any such Acquisition Proposal, any material modification, amendment or proposed material modification thereto (including any revision in the amount, form or mix of consideration) and of all verbal or written communications related thereto, together with copies of new written documentation and correspondence to or from the Company or any of its Subsidiaries or any of their respective Representatives as well as written summaries of any material oral communications.

(c) The Company shall immediately cease any existing discussions, negotiations and communications with any Person that relate to any Acquisition Proposal or Acquisition Inquiry that has not already been terminated as of the date of this Agreement, immediately terminate access to any non-public information of the Company provided to such Person via an electronic or physical data room.

4.6 Notification of Certain Matters.

(a) During the Pre-Closing Period, the Company shall promptly (and in no event later than two (2) Business Days after the Company becomes aware of the same) notify Parent (and, if in writing, furnish copies of any relevant documents) if any of the following occurs: (i) any notice or other communication is received from any Person alleging that the Consent of such Person is or may be required in connection with any of the Contemplated Transactions; (ii) any Legal Proceeding against or involving or otherwise affecting the Company or any of its Subsidiaries is commenced, or, to the knowledge of the Company, threatened against the Company or any of its Subsidiaries or, to the knowledge of the Company, any director or officer of the Company or any of its Subsidiaries; (iii) the Company or any of its Subsidiaries becomes aware of any inaccuracy in any representation or warranty made by it in this Agreement; or (iv) the failure of the Company to comply with any

covenant or obligation of the Company; in each case of clauses (i) through (iv), that could reasonably be expected to make the timely satisfaction of any of the conditions set forth in Sections 6 or 7, as applicable, impossible or materially less likely. No notification given to Parent pursuant to this Section 4.6(a) shall change, limit or otherwise affect any of the representations, warranties, covenants or obligations of the Company or any of its Subsidiaries contained in this Agreement or the Company Disclosure Schedule for purposes of Sections 6 and 7, as applicable.

(b) During the Pre-Closing Period, Parent shall promptly (and in no event later than two (2) Business Days after Parent becomes aware of the same) notify the Company (and, if in writing, furnish copies of any relevant documents) if any of the following occurs: (i) any notice or other communication is received from any Person alleging that the Consent of such Person is or may be required in connection with any of the Contemplated Transactions; (ii) any Legal Proceeding against or involving or otherwise affecting Parent or any of its Subsidiaries is commenced, or, to the knowledge of Parent, threatened against Parent or any of its Subsidiaries or, to the knowledge of Parent, any director or officer of Parent or any of its Subsidiaries; (iii) Parent becomes aware of any inaccuracy in any representation or warranty made by it in this Agreement; or (iv) the failure of Parent to comply with any covenant or obligation of Parent or Merger Sub; in each case of clauses (i) through (iv), that could reasonably be expected to make the timely satisfaction of any of the conditions set forth in Sections 6 or 8, as applicable, impossible or materially less likely. No notification given to the Company pursuant to this Section 4.6(b) shall change, limit or otherwise affect any of the representations, warranties, covenants or obligations of Parent or any of its Subsidiaries contained in this Agreement or the Parent Disclosure Schedule for purposes of Sections 6 and 8, as applicable.

4.7 Potentially Transferable Assets. Prior to the Closing, Parent will use reasonable best efforts to sell, transfer, license, assign or otherwise divest the Potentially Transferable Assets to one or more third parties in one or a series of transactions immediately following the Closing (each an “*Asset Disposition*” and collectively, the “*Asset Dispositions*”). Subject to the provisions of this Section 4.7 and the CVR Agreement, Parent may, in contemplation of the Asset Dispositions, (a) establish one or more Subsidiaries to hold the Potentially Transferable Assets, (b) transfer to any such Subsidiary any or all of the Potentially Transferable Assets and the liabilities and obligations related thereto and (c) take such other steps that are reasonably necessary to prepare for the Asset Dispositions. For clarity, if Parent transfers the Potentially Transferable Assets to one or more Subsidiaries, the terms of this Section 4.7 shall apply to such Subsidiaries in addition to Parent. Each Party further acknowledges that Parent may not be successful in completing the Asset Dispositions. Notwithstanding the foregoing, any such Asset Disposition shall require, to the extent consistent with applicable Laws, the prior written consent of the Company (not to be unreasonably withheld, conditioned or delayed) if such Asset Disposition would create any post-disposition liabilities or indemnity obligations for Parent following the Closing; *provided, however*, that the prior written consent of the Company shall not be required in connection with any Asset Disposition if Parent agrees that the maximum aggregate dollar value of any post-disposition liabilities or indemnity obligation shall be considered as a reduction to Parent Net Cash as set forth in this Agreement.

Section 5. ADDITIONAL AGREEMENTS OF THE PARTIES

5.1 Registration Statement; Proxy Statement.

(a) As promptly as practicable after the date of this Agreement, the Parties shall prepare, and Parent shall cause to be filed with the SEC, the Registration Statement, in which the Proxy Statement will be included as a part. Parent covenants and agrees that the Registration Statement (and the letter to stockholders, notice of meeting and form of proxy included therewith) will not, at the time that the Proxy Statement or any amendments or supplements thereto are filed with the SEC, at the time the Proxy Statement or any amendments or supplements thereto are first mailed to Parent’s stockholders and at the time of the Parent Stockholder’s Meeting, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which they

were made, not misleading. The Company covenants and agrees that the information provided by or on behalf of the Company or its Representatives to Parent for inclusion in the Registration Statement (including the Company Audited Financial Statements or the Company Interim Financial Statements, as the case may be) will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make such information not misleading. Parent makes no covenant, representation or warranty with respect to statements made in the Registration Statement (and the letter to stockholders, notice of meeting and form of proxy included therewith), if any, based on information provided by or on behalf of the Company or any of its Representatives for inclusion therein, and the Company makes no covenant, representation or warranty with respect to statements made in the Registration Statement (and the letter to stockholders, notice of meeting and form of proxy included therewith), if any, other than with respect to the information provided by or on behalf of the Company, or any of its Representatives for inclusion therein. The Company and its legal counsel shall be given reasonable opportunity to review and comment on the Registration Statement, including all amendments and supplements thereto, prior to the filing thereof with the SEC, and on the response to any comments of the SEC on the Registration Statement, prior to the filing thereof with the SEC; provided that any such filings shall be subject to the consent of the Company (not to be unreasonably withheld, conditioned or delayed). Parent shall provide the Company with copies of any written comments, and shall inform the Company of any oral comments, that Parent receives from the SEC or its staff with respect to the Registration Statement promptly after the receipt of such comments. Parent shall use commercially reasonable efforts to respond promptly to any comments of the SEC or its staff and to have the Registration Statement declared effective under the Securities Act as promptly as practicable after it is filed with the SEC; provided that any such response shall be subject to the consent of the Company (not to be unreasonably withheld, conditioned or delayed). Each of the Parties shall use commercially reasonable efforts to cause the Proxy Statement to be mailed to Parent's stockholders as promptly as practicable after the Registration Statement is declared effective under the Securities Act. Each Party shall promptly furnish to the other Party all information concerning such Party and such Party's Affiliates and such Party's stockholders that may be required or reasonably requested in connection with any action contemplated by this Section 5.1. If Parent, Merger Sub or the Company become aware of any event or information that, pursuant to the Securities Act or the Exchange Act, should be disclosed in an amendment or supplement to the Registration Statement or Proxy Statement, as the case may be, then such Party, as the case may be, shall promptly inform the other Parties thereof and shall cooperate with such other Parties in filing such amendment or supplement with the SEC and, if appropriate, in mailing such amendment or supplement to Parent's stockholders. The Company and Parent shall each use commercially reasonable efforts to cause the Registration Statement and the Proxy Statement to comply with the applicable rules and regulations promulgated by the SEC and applicable federal and state securities Laws requirements.

(b) The Parties shall reasonably cooperate with each other and provide, and require their respective Representatives to provide, the other Party and its Representatives, with all true, correct and complete information regarding such Party or its Subsidiaries that is required by Law to be included in the Registration Statement and the Proxy Statement or reasonably requested by the other Party to be included in the Registration Statement and the Proxy Statement.

(c) If, in connection with the preparation and filing of the Registration Statement, the SEC requests or requires that a tax opinion be prepared and submitted regarding the Intended Tax Treatment (a "**Tax Opinion**") (i) each of Parent and the Company shall deliver to Cooley LLP and Ropes & Gray LLP, respectively, customary tax representation letters satisfactory to its counsel, dated and executed as of the date the Registration Statement that shall have been declared effective by the SEC and such other date(s) as determined reasonably necessary by such counsel in connection with the preparation and filing of the Registration Statement, which counsel shall be entitled to rely upon in rendering its Tax Opinion, and (ii) the Company and Parent shall each use its reasonable best efforts to cause Cooley LLP and Ropes & Gray LLP to furnish a Tax Opinion with respect to the Intended Tax Treatment. For the avoidance of doubt, in no event shall any such Tax Opinion be a condition to the Closing.

5.2 Company Information Statement; Stockholder Written Consent.

(a) Promptly after the Registration Statement shall have been declared effective under the Securities Act, and in any event no later than three (3) Business Days thereafter, the Company shall prepare, with the cooperation of Parent, and cause to be delivered to its stockholders an information statement, which shall include a copy of the Proxy Statement (the “**Information Statement**”), to solicit the approval by written consent from the Company Signatories, including the Company stockholders sufficient for the Required Company Stockholder Vote in lieu of a meeting pursuant to Section 228 of the DGCL, for purposes of: (i) adopting and approving this Agreement and the Contemplated Transactions, (ii) acknowledging that the approval given thereby is irrevocable and that such stockholder is aware of its rights to demand appraisal for its shares of Company Capital Stock pursuant to Section 262 of the DGCL, a true and correct copy of which will be attached thereto, and that such stockholder has received and read a copy of Section 262 of the DGCL, and (iii) acknowledging that by its approval of the Merger it is not entitled to appraisal rights with respect to its shares of Company Capital Stock in connection with the Merger and thereby waives any rights to receive payment of the fair value of its shares of Company Capital Stock under the DGCL (collectively, the “**Company Stockholder Matters**”). Under no circumstances shall the Company assert that any approval or consent other than the Required Company Stockholder Vote is necessary for its stockholders or otherwise to approve this Agreement and the Contemplated Transactions. All materials (including any amendments thereto) submitted to the stockholders of the Company in accordance with this Section 5.2(a) shall be subject to Parent’s advance review and reasonable approval. The Parties shall reasonably cooperate with each other and provide, and require their respective Representatives to provide, the other Party and its Representatives with all true, correct and complete information regarding such Party or its Subsidiaries that is required by applicable Law to be included in the Information Statement or reasonably requested by the other Party to be included in the Information Statement.

(b) The Company covenants and agrees that the Information Statement, including any pro forma financial statements included therein (and the letter to stockholders and form of Company Stockholder Written Consent included therewith), will not, at the time that the Information Statement or any amendment or supplement thereto is first mailed, distributed or otherwise made available to the stockholders of the Company, at the time of receipt of the Required Company Stockholder Vote and at the Effective Time, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading. Notwithstanding the foregoing, the Company makes no covenant, representation or warranty with respect to statements made in the Information Statement (and the letter to the stockholders and form of Company Stockholder Written Consent included therewith), if any, based on information furnished in writing by Parent or any of its Representatives specifically for inclusion therein. Each of the Parties shall use commercially reasonable efforts to cause the Information Statement to comply with the applicable rules and regulations promulgated by the SEC and applicable federal and state securities Laws requirements.

(c) Promptly following receipt of the Required Company Stockholder Vote, the Company shall prepare and deliver a notice (the “**Stockholder Notice**”) to every stockholder of the Company that did not execute the Company Stockholder Written Consent. The Stockholder Notice shall (i) be a statement to the effect that the Company Board determined that the Merger is advisable in accordance with Section 251(b) of the DGCL and in the best interests of the stockholders of the Company and authorized, approved and adopted this Agreement, the Merger and the other Contemplated Transactions, (ii) provide the stockholders of the Company to whom it is sent with notice of the actions taken in the Company Stockholder Written Consent, including the adoption and approval of this Agreement, the Merger and the other Contemplated Transactions in accordance with Section 228(e) of the DGCL and the Organizational Documents of the Company, and (iii) include a description of the appraisal rights of the Company’s stockholders available under the DGCL, along with such other information as is required thereunder and pursuant to applicable Law. All materials (including any amendments thereto) submitted to the stockholders of the Company in accordance with this Section 5.2(c) shall be subject to Parent’s advance review and reasonable approval.

(d) The Company agrees that: (i) the Company Board shall recommend that the Company's stockholders vote to approve the Company Stockholder Matters and shall use reasonable best efforts to solicit such approval from the Company's stockholders within the time set forth in Section 5.2(a) (the recommendation of the Company Board that the Company's stockholders vote to adopt and approve the Company Stockholder Matters being referred to as the "**Company Board Recommendation**"); and (ii) (1) the Company Board Recommendation shall not be withdrawn or modified, (2) the Company Board shall not publicly propose to withdraw or modify the Company Board Recommendation and (3) no resolution by the Company Board or any committee thereof to withdraw or modify the Company Board Recommendation or to adopt, approve or recommend (or publicly propose to adopt, approve or recommend) any Acquisition Proposal shall be adopted or proposed (the actions set forth in the foregoing clause (ii), if taken, shall constitute, in each case, a "**Company Board Adverse Recommendation Change**").

(e) Notwithstanding anything to the contrary contained in this Agreement, and subject to compliance with Section 4.5 and this Section 5.2(e), if at any time prior to the approval of the Company Stockholder Matters:

(i) If the Company has received a *bona fide* Acquisition Proposal (which Acquisition Proposal did not arise out of a material breach of Section 4.5) from any Person that has not been withdrawn and after consultation with outside legal counsel, the Company Board shall have determined, in good faith, that such Acquisition Proposal is a Superior Offer, the Company Board may make a Company Board Adverse Recommendation Change if and only if: (A) the Company Board determines in good faith, after consultation with the Company's outside legal counsel and financial advisor, that the failure to do so would be inconsistent with the fiduciary duties of the Company Board to the Company's stockholders under applicable Law; (B) the Company shall have given Parent prior written notice of its intention to consider making a Company Board Adverse Recommendation Change at least four (4) Business Days prior to making any such Company Board Adverse Recommendation Change (a "**Company Determination Notice**"; and such period the "**Company Notice Period**") (which notice shall not constitute a Company Board Adverse Recommendation Change); and (C) (1) the Company shall have provided to Parent a description in reasonable detail of the reasons for such Company Board Adverse Recommendation Change the identity of the party making the Acquisition Proposal, a summary of the material terms and conditions of the Acquisition Proposal and written copies of any relevant proposed transaction documents (including with respect to financing arrangements), in accordance with Section 4.5(b), (2) the Company shall have given Parent the three (3) Business Days after the Company Determination Notice to propose revisions to the terms of this Agreement or make another proposal and shall have made its Representatives reasonably available to negotiate in good faith with Parent (to the extent Parent desires to negotiate) with respect to such proposed revisions or other proposal, if any, and (3) after considering the results of any such negotiations and giving effect to the proposals made by Parent, if any, after consultation with outside legal counsel, the Company Board shall have determined, in good faith, that such Acquisition Proposal is a Superior Offer and that the failure to make the Company Board Adverse Recommendation Change would be inconsistent with the fiduciary duties of the Company Board to the Company's stockholders under applicable Law; *provided* during any Company Notice Period, Parent shall be entitled to deliver to the Company one or more counterproposals to such Acquisition Proposal and the Company will, and cause its Representatives to, negotiate with Parent in good faith (to the extent Parent desires to negotiate) to enable Parent to propose in writing an offer binding on Parent to effect such adjustments to the terms and conditions of this Agreement so that the applicable Acquisition Proposal ceases to constitute a Superior Offer. For the avoidance of doubt, the provisions of this Section 5.2(e)(i) shall also apply to any material change to the facts and circumstances relating to such Acquisition Proposal or any amendment to such Acquisition Proposal (including any revision in the amount, form or mix of consideration), and require a new Company Determination Notice and the Company shall be required to provide Parent with notice of such material change or amendment, except that the references to four (4) Business Days shall be deemed to be two (2) Business Days.

(ii) Other than in connection with an Acquisition Proposal, the Company Board may make a Company Board Adverse Recommendation Change in response to a Company Change in Circumstance, if and

only if: (A) the Company Board determines in good faith, after consultation with the Company's outside legal counsel, that the failure to do so would be inconsistent with the fiduciary duties of the Company Board to the Company's stockholders under applicable Law; (B) the Company shall have given Parent a Company Determination Notice at least four (4) Business Days prior to making any such Company Board Adverse Recommendation Change; and (C) (1) the Company shall have specified the Company Change in Circumstance in reasonable detail, including the material facts and circumstances related to the applicable Company Change in Circumstance, (2) the Company shall have given Parent the three (3) Business Days after the Company Determination Notice to propose revisions to the terms of this Agreement or make another proposal, and shall have made its Representatives reasonably available to negotiate in good faith with Parent (to the extent Parent desires to do so) with respect to such proposed revisions or other proposal, if any, and (3) after considering the results of any such negotiations and giving effect to the proposals made by Parent, if any, after consultation with outside legal counsel, the Company Board shall have determined, in good faith, that the failure to make the Company Board Adverse Recommendation Change in response to such Company Change in Circumstance would be inconsistent with the fiduciary duties of the Company Board to the Company's stockholders under applicable Law. For the avoidance of doubt, the provisions of this 5.2(e)(ii) shall also apply to any material change to the facts and circumstances relating to such Company Change in Circumstance, and require a new Company Determination Notice and the Company shall be required to provide Parent with notice of such material change, except that the references to four (4) Business Days shall be deemed to be two (2) Business Days.

(f) Unless this Agreement is otherwise terminated pursuant to Section 9.1, the Company's obligation to solicit the consent of its stockholders to sign the Company Stockholder Written Consent in accordance with Section 5.2(a) and Section 5.2(d) shall not be limited or otherwise affected by the commencement, disclosure, announcement or submission of any Superior Offer or other Acquisition Proposal or by any Company Board Adverse Recommendation Change.

5.3 Parent Stockholders' Meeting.

(a) Promptly after the Registration Statement has been declared effective by the SEC under the Securities Act, Parent shall take all action necessary under applicable Law to call, give notice of and hold a meeting of the holders of Parent Common Stock for the purpose of seeking approval of (the "**Parent Stockholders' Meeting**");

(i) (A) the issuance of Parent Common Stock or other securities of Parent that represent (or are convertible into) more than twenty percent (20%) of the shares of Parent Common Stock outstanding immediately prior to the Merger to the holders of Company Capital Stock and Company Options in connection with the Contemplated Transactions pursuant to the Nasdaq rules and (B) the change of control of Parent resulting from the Merger pursuant to the Nasdaq rules;

(ii) the approval of the Parent Charter Amendment to (A) change the name of Parent to "Candid Therapeutics, Inc.", (B) effect the Nasdaq Reverse Split and (C) effect the Authorized Share Increase (the matters contemplated by Section 5.3(a)(i) and Section 5.3(a)(ii)(A) and (B), the "**Parent Stockholder Matters**," and the matter contemplated by Section 5.3(a)(ii)(C), the "**Authorized Share Increase Proposal**");

(iii) the Equity Plan Proposals; and

(iv) any other proposals the Parties deem necessary to consummate the Contemplated Transactions.

(b) The Parent Stockholders' Meeting shall be held as promptly as practicable after the Registration Statement is declared effective under the Securities Act and, in any event, no later than forty-five (45) calendar days after the effective date of the Registration Statement. Parent shall take reasonable measures to

ensure that all proxies solicited in connection with the Parent Stockholders' Meeting are solicited in compliance with all applicable Laws. Notwithstanding anything to the contrary contained herein, if on the date of the Parent Stockholders' Meeting, or a date preceding the date on which the Parent Stockholders' Meeting is scheduled, Parent reasonably believes that (i) it will not receive proxies sufficient to obtain the Required Parent Stockholder Vote or the approval of the Authorized Share Increase Proposal, whether or not a quorum would be present, or (ii) it will not have sufficient shares of Parent Common Stock represented (whether in person or by proxy) to constitute a quorum necessary to conduct the business of the Parent Stockholders' Meeting, Parent may postpone or adjourn, or make one or more successive postponements or adjournments of, the Parent Stockholders' Meeting as long as the date of the Parent Stockholders' Meeting is not postponed or adjourned more than an aggregate of thirty (30) calendar days in connection with any postponements or adjournments.

(c) Parent agrees that, subject to [Section 5.3\(d\)](#): (i) the Parent Board shall recommend that the holders of Parent Common Stock vote to approve the Parent Stockholder Matters, the Authorized Share Increase Proposal and the Equity Plan Proposals and shall use commercially reasonable efforts to solicit such approval within the timeframe set forth in [Section 5.3\(b\)](#) above; (ii) the Proxy Statement shall include a statement to the effect that the Parent Board recommends that Parent's stockholders vote to approve the Parent Stockholder Matters, the Authorized Share Increase Proposal and the Equity Plan Proposals (the recommendation of the Parent Board with respect to the Parent Stockholder Matters being referred to as the "**Parent Board Recommendation**"); and (iii) (1) the Parent Board Recommendation shall not be withheld, amended, withdrawn or modified, (2) the Parent Board shall not publicly propose to withhold, amend, withdraw or modify the Parent Board Recommendation, (3) no resolution by the Parent Board or any committee thereof to withdraw or modify the Parent Board Recommendation or to adopt, approve or recommend (or publicly propose to adopt, approve or recommend) any Acquisition Proposal shall be adopted or proposed, and (4) the Parent Board shall not publicly announce an intention or resolution to effect any of the foregoing (the actions set forth in the foregoing clause (iii), if taken, shall constitute, in each case, a "**Parent Board Adverse Recommendation Change**").

(d) Notwithstanding anything to the contrary contained in this Agreement, and subject to compliance with [Section 4.4](#) and this [Section 5.3\(d\)](#), if at any time prior to the approval of the Parent Stockholder Matters at the Parent Stockholders' Meeting by the Required Parent Stockholder Vote:

(i) If Parent has received a *bona fide* Acquisition Proposal (which Acquisition Proposal did not arise out of a material breach of [Section 4.4](#)) from any Person that has not been withdrawn and after consultation with outside legal counsel, the Parent Board shall have determined, in good faith, that such Acquisition Proposal is a Superior Offer, the Parent Board may make a Parent Board Adverse Recommendation Change if and only if: (A) the Parent Board determines in good faith, after consultation with Parent's outside legal counsel and financial advisor, that the failure to do so would be inconsistent with the fiduciary duties of the Parent Board to Parent's stockholders under applicable Law; (B) Parent shall have given the Company prior written notice of its intention to consider making a Parent Board Adverse Recommendation Change at least four (4) Business Days prior to making any such Parent Board Adverse Recommendation Change (a "**Determination Notice**"; and such period the "**Parent Notice Period**") (which notice shall not constitute a Parent Board Adverse Recommendation Change); and (C) (1) Parent shall have provided to the Company a description in reasonable detail of the reasons for such Parent Board Adverse Recommendation Change, the identity of the party making the Acquisition Proposal, a summary of the material terms and conditions of the Acquisition Proposal and written copies of any relevant proposed transaction documents (including with respect to financing arrangements), in accordance with [Section 4.4\(b\)](#), (2) Parent shall have given the Company the three (3) Business Days after the Determination Notice to propose revisions to the terms of this Agreement or make another proposal and shall have made its Representatives reasonably available to negotiate in good faith with the Company (to the extent the Company desires to negotiate) with respect to such proposed revisions or other proposal, if any, and (3) after considering the results of any such negotiations and giving effect to the proposals made by the Company, if any, after consultation with outside legal counsel, the Parent Board shall have determined, in good faith, that such Acquisition Proposal is a Superior Offer and that the failure to make the Parent Board Adverse Recommendation Change would be inconsistent with the fiduciary duties of the Parent Board to Parent's stockholders under

applicable Law; *provided* during any Parent Notice Period, the Company shall be entitled to deliver to Parent one or more counterproposals to such Acquisition Proposal and Parent will, and cause its Representatives to, negotiate with the Company in good faith (to the extent the Company desires to negotiate) to enable the Company to propose in writing an offer binding on the Company to effect such adjustments to the terms and conditions of this Agreement so that the applicable Acquisition Proposal ceases to constitute a Superior Offer. For the avoidance of doubt, the provisions of this [Section 5.3\(d\)\(i\)](#) shall also apply to any material change to the facts and circumstances relating to such Acquisition Proposal or any amendment to such Acquisition Proposal (including any revision in the amount, form or mix of consideration), and require a new Determination Notice and Parent shall be required to provide the Company with notice of such material change or amendment, except that the references to four (4) Business Days shall be deemed to be two (2) Business Days.

(ii) Other than in connection with an Acquisition Proposal, the Parent Board may make a Parent Board Adverse Recommendation Change in response to a Parent Change in Circumstance, if and only if: (A) the Parent Board determines in good faith, after consultation with Parent's outside legal counsel, that the failure to do so would be inconsistent with the fiduciary duties of the Parent Board to Parent's stockholders under applicable Law; (B) Parent shall have given the Company a Determination Notice at least four (4) Business Days prior to making any such Parent Board Adverse Recommendation Change; and (C) (1) Parent shall have specified the Parent Change in Circumstance in reasonable detail, including the material facts and circumstances related to the applicable Parent Change in Circumstance, (2) Parent shall have given the Company the three (3) Business Days after the Determination Notice to propose revisions to the terms of this Agreement or make another proposal, and shall have made its Representatives reasonably available to negotiate in good faith with the Company (to the extent the Company desires to do so) with respect to such proposed revisions or other proposal, if any, and (3) after considering the results of any such negotiations and giving effect to the proposals made by the Company, if any, after consultation with outside legal counsel, the Parent Board shall have determined, in good faith, that the failure to make the Parent Board Adverse Recommendation Change in response to such Parent Change in Circumstance would be inconsistent with the fiduciary duties of the Parent Board to Parent's stockholders under applicable Law. For the avoidance of doubt, the provisions of this [Section 5.3\(d\)\(ii\)](#) shall also apply to any material change to the facts and circumstances relating to such Parent Change in Circumstance, and require a new Determination Notice and Parent shall be required to provide the Company with notice of such material change, except that the references to four (4) Business Days shall be deemed to be two (2) Business Days.

(e) Nothing contained in this Agreement shall prohibit Parent or the Parent Board from (i) complying with Rules 14d-9 and 14e-2(a) promulgated under the Exchange Act, (ii) issuing a "stop, look and listen" communication or similar communication of the type contemplated by Section 14d-9(f) under the Exchange Act or (iii) otherwise making any disclosure to Parent's stockholders; *provided however*, that, in the case of the foregoing clause (iii), the Parent Board determines in good faith, after consultation with its outside legal counsel, that failure to make such disclosure would be inconsistent with applicable Law, including its fiduciary duties under applicable Law.

(f) Unless this Agreement is otherwise terminated pursuant to [Section 9.1](#), Parent's obligation to call, give notice of and hold the Parent Stockholders' Meeting in accordance with [Section 5.3\(b\)](#) shall not be limited or otherwise affected by the commencement, disclosure, announcement or submission of any Acquisition Proposal or by any Parent Board Adverse Recommendation Change.

5.4 Regulatory Approvals.

(a) Notwithstanding the generality of [Section 5.7](#), each Party shall, (i) as promptly as practicable, but in any event within ten (10) Business Days following the date of this Agreement, make or cause to be made any filings required by each of them or any of their respective Affiliates under the HSR Act and (ii) use reasonable best efforts to file or otherwise submit as promptly as practicable all applications, notices, reports and other documents required to be filed by such Party with or otherwise submitted by such Party to any

Governmental Body with respect to the Contemplated Transactions, and to submit promptly any additional information requested by any such Governmental Body.

(b) Parent and the Company shall consult and cooperate with one another, and consider in good faith the views of one another, in connection with, and provide to the other in advance (to the extent legally permissible), any analyses, presentations, memoranda, briefs, arguments, opinions and proposals made or submitted by or on behalf of any party hereto in connection with proceedings under or relating to the Antitrust Laws. Without limiting the foregoing, the Parties agree (i) to give each other reasonable advance notice of all meetings or substantive communications with any Governmental Body relating to any Antitrust Laws, (ii) to give each other an opportunity to participate in each of such meetings, (iii) to the extent practicable, to give each other reasonable advance notice of all substantive oral communications with any Governmental Body relating to any Antitrust Laws, (iv) if any Governmental Body initiates a substantive oral communication regarding any Antitrust Laws, to promptly notify the other party of the substance of such communication, (v) to provide each other with a reasonable advance opportunity to review and comment upon all written communications (including any analyses, presentations, memoranda, briefs, arguments, opinions and proposals) with a Governmental Body regarding any Antitrust Laws and (vi) to provide each other with copies of all written communications from any Governmental Body relating to any Antitrust Laws. Any such disclosures or provision of copies by one party to the other may be made on an outside counsel basis if appropriate.

(c) Each Party shall bear its own expenses and costs incurred by such Party in connection with any filings and submissions pursuant to Antitrust Laws, except that the Company shall pay the fees related to any filing made pursuant to Section 5.4(a)(i).

(d) In the event that any Legal Proceeding is instituted (or threatened to be instituted) by a Governmental Body challenging the Merger, each of Parent, Merger Sub and the Company shall cooperate in all respects with each other and shall use reasonable best efforts to contest and resist any such Legal Proceeding and to have vacated, lifted, reversed or overturned any decree, judgment, injunction or other order, whether temporary, preliminary or permanent, that is in effect and that prohibits, prevents or restricts consummation of the Merger; *provided, however*, that the Company may, in its sole discretion, determine to settle such challenge provided that the terms of such settlement do not prevent or unreasonably delay consummation of the Merger.

(e) Neither Party shall, and each Party shall cause its Subsidiaries and Affiliates not to, acquire or agree to acquire any rights, interests, assets, business, Person or division thereof (whether through acquisition, license, joint venture, collaboration or otherwise), or take any other actions, if such acquisition or action would reasonably be expected to (i) prevent, materially delay, or adversely affect in any material respect the ability of the Parties to consummate the any of the Contemplated Transactions, or (ii) result in any Party being required to obtain any clearance, consent, approval, waiver, waiting period expiration or termination, non-action or other authorization under any Laws with respect to any of the Contemplated Transactions.

5.5 Company Options.

(a) At the Effective Time, each Company Option that is outstanding and unexercised immediately prior to the Effective Time under the Company's 2024 Equity Incentive Plan, as may be amended from time to time, (the "**Company EIP**"), whether or not vested, shall be converted into and become an option to purchase Parent Common Stock, and Parent shall assume the Company EIP and each such Company Option in accordance with the terms (as in effect as of the date of this Agreement) of the Company EIP and the terms of the stock option agreement by which such Company Option is evidenced (but with changes to such documents as Parent in good faith determines are appropriate to reflect the substitution of the Company Options by Parent to purchase shares of Parent Common Stock). All rights with respect to Company Common Stock under Company Options assumed by Parent shall thereupon be converted into rights with respect to Parent Common Stock. Accordingly, from and after the Effective Time: (i) each Company Option assumed by Parent may be exercised solely for shares of Parent Common Stock; (ii) the number of shares of Parent Common Stock subject to each Company

Option assumed by Parent shall be determined by multiplying (A) the number of shares of Company Common Stock that were subject to such Company Option, as in effect immediately prior to the Effective Time, by (B) the Exchange Ratio, and rounding the resulting number down to the nearest whole number of shares of Parent Common Stock; (iii) the per share exercise price for the Parent Common Stock issuable upon exercise of each Company Option assumed by Parent shall be determined by dividing (A) the per share exercise price of Company Common Stock subject to such Company Option, as in effect immediately prior to the Effective Time, by (B) the Exchange Ratio, and rounding the resulting exercise price up to the nearest whole cent; and (iv) any restriction on the exercise of any Company Option assumed by Parent shall continue in full force and effect and the term, exercisability, vesting schedule and other provisions of such Company Option shall otherwise remain unchanged; *provided, however*, that: (A) to the extent provided under the terms of the respective grant agreements governing the Company Options and the Company EIP, Parent may amend the terms of the Company Options and the Company EIP, in accordance with the terms thereof to reflect Parent's substitution of the Company Options with options to purchase Parent Common Stock (such as by making any change in control or similar definition relate to Parent and having any provision that provides for the adjustment of Company Options upon the occurrence of certain corporate events relate to corporate events that relate to Parent or Parent Common Stock); and (B) the Parent Board or a committee thereof shall succeed to the authority and responsibility of the Company Board or any committee thereof with respect to each Company Option assumed by Parent. Each Company Option so assumed by Parent is intended to qualify following the Effective Time as an incentive stock option as defined in Section 422 of the Code to the extent permitted under Section 422 of the Code and to the extent such Company Option qualified as an incentive stock option prior to the Effective Time, and, further, the assumption of such Company Option pursuant to this [Section 5.5\(a\)](#) shall be effected in a manner that satisfies the requirements of Sections 409A and 424(a) of the Code and the Treasury Regulations promulgated thereunder, and this [Section 5.5\(a\)](#) will be construed consistent with this intent.

(b) Parent shall file with the SEC, as soon as reasonably practicable after the Effective Time, a registration statement on Form S-8 (or any successor form), if available for use by Parent, relating to the shares of Parent Common Stock that are either (i) issuable with respect to Company Options assumed by Parent in accordance with [Section 5.5\(a\)](#) or (ii) reserved for future grants under the Company EIP.

(c) Prior to the Effective Time, the Company shall take all actions that may be necessary (under the Company EIP and otherwise) to effectuate the provisions of this [Section 5.5](#) and to ensure that, from and after the Effective Time, holders of Company Options have no rights with respect thereto other than those specifically provided in this [Section 5.5](#).

5.6 Indemnification of Officers and Directors.

(a) From the Effective Time through the sixth (6th) anniversary of the date on which the Effective Time occurs, each of Parent and the Surviving Corporation, jointly and severally, shall indemnify and hold harmless each person who is now, or has been at any time prior to the date hereof, or who becomes prior to the Effective Time, a director, officer, fiduciary or agent of Parent or any of its Subsidiaries or the Company, respectively (the "***D&O Indemnified Parties***"), against all claims, losses, liabilities, damages, judgments, fines and reasonable fees, costs and expenses, including attorneys' fees and disbursements, incurred in connection with any claim, action, suit, proceeding or investigation, whether civil, criminal, administrative or investigative, arising out of or pertaining to the fact that the D&O Indemnified Party is or was a director, officer, fiduciary or agent of Parent or of the Company or their respective Subsidiaries, whether asserted or claimed prior to, at or after the Effective Time, in each case, to the fullest extent permitted by Parent's Organizational Documents or the Company's Organizational Documents, as applicable, or pursuant to indemnification agreements made available to the Company, as applicable. Each D&O Indemnified Party will be entitled to advancement of expenses incurred in the defense of any such claim, action, suit, proceeding or investigation from each of Parent and the Surviving Corporation, jointly and severally, upon receipt by Parent or the Surviving Corporation from the D&O Indemnified Party of a request therefor; *provided* that any such person to whom expenses are advanced provides an undertaking to Parent, to the extent then required by the DGCL, to repay such advances if it is ultimately determined that such person is not entitled to indemnification.

(b) The provisions of the Organizational Documents of Parent or any of its Subsidiaries with respect to indemnification, advancement of expenses and exculpation of present and former directors and officers of Parent or any of its Subsidiaries that are set forth in the Organizational Documents of Parent or any of its Subsidiaries as of the date of this Agreement shall not be amended, modified or repealed for a period of six (6) years from the Effective Time in a manner that would adversely affect the rights thereunder of individuals who, at or prior to the Effective Time, were officers or directors of Parent or any of its Subsidiaries. The Organizational Documents of the Surviving Corporation shall contain, and Parent shall cause the Organizational Documents of the Surviving Corporation to so contain, provisions no less favorable with respect to indemnification, advancement of expenses and exculpation of present and former directors and officers as those set forth in the Organizational Documents of the Company as of the date of this Agreement.

(c) From and after the Effective Time, (i) the Surviving Corporation shall fulfill and honor in all respects the obligations of the Company to its D&O Indemnified Parties as of immediately prior to the Closing pursuant to any indemnification provisions under the Organizational Documents of the Company and pursuant to any indemnification agreements between the Company and such D&O Indemnified Parties, with respect to claims arising out of matters occurring at or prior to the Effective Time and (ii) Parent shall fulfill and honor in all respects the obligations of Parent or any of its Subsidiaries to its D&O Indemnified Parties as of immediately prior to the Closing pursuant to any indemnification provisions under the Organizational Documents of Parent or any of its Subsidiaries and pursuant to any indemnification agreements between Parent or any of its Subsidiaries and such D&O Indemnified Parties, with respect to claims arising out of matters occurring at or prior to the Effective Time.

(d) From and after the Effective Time, Parent shall maintain directors' and officers' liability insurance policies, with an effective date as of the Closing Date, on commercially available terms and conditions and with coverage limits customary for U.S. public companies similarly situated to Parent. In addition, Parent shall purchase, prior to the Effective Time, a six (6)-year prepaid "tail policy" for the non-cancellable extension of the directors' and officers' liability coverage of Parent's and any of its Subsidiaries' existing directors' and officers' insurance policies and Parent's existing fiduciary liability insurance policies (if any), in each case, for a claims reporting or discovery period of at least six (6) years from and after the Effective Time with respect to any claim related to any period of time at or prior to the Effective Time. During the term of the "tail" policy, Parent shall not take any action following the Effective Time to cause such "tail" policy to be cancelled or any provision therein to be amended or waived in any manner that would adversely affect in any material respect the rights of its or any of its Subsidiaries' former and current officers and directors.

(e) From and after the Effective Time, Parent shall pay all expenses, including reasonable attorneys' fees, that are incurred by the persons referred to in this [Section 5.6](#) in connection with their successful enforcement of the rights provided to such persons in this [Section 5.6](#).

(f) All rights to exculpation, indemnification and advancement of expenses for acts or omissions occurring at or prior to the Effective Time, whether asserted or claimed prior to, at or after the Closing, now existing in favor of the current or former directors, officers or employees, as the case may be, of Parent or the Company or any of their respective Subsidiaries as provided in their respective Organizational Documents or in any agreement shall survive the Merger and shall continue in full force and effect. The provisions of this [Section 5.6](#) are intended to be in addition to the rights otherwise available to the current and former officers and directors of Parent and the Company and any of their respective Subsidiaries by Law, charter, statute, bylaw or Contract, and shall operate for the benefit of, and shall be enforceable by, each of the D&O Indemnified Parties, their heirs and their representatives.

(g) From and after the Effective Time, in the event Parent or the Surviving Corporation or any of their respective successors or assigns (i) consolidates with or merges into any other Person and shall not be the continuing or surviving corporation or entity of such consolidation or merger, or (ii) transfers all or substantially all of its properties and assets to any Person, then, and in each such case, proper provision shall be made so that

the successors and assigns of Parent or the Surviving Corporation, as the case may be, shall succeed to the obligations set forth in this [Section 5.6](#). Parent shall cause the Surviving Corporation to perform all of the obligations of the Surviving Corporation under this [Section 5.6](#).

(h) The obligations set forth in this [Section 5.6](#) shall not be terminated, amended or otherwise modified in any manner that adversely affects any D&O Indemnified Party, or any person who is a beneficiary under the policies referred to in this [Section 5.6](#) and their heirs and representatives, without the prior written consent of such affected D&O Indemnified Party or such other beneficiary.

5.7 Additional Agreements. The Parties shall, subject to [Section 4.5](#), (a) use commercially reasonable efforts to cause to be taken all actions necessary to consummate the Contemplated Transactions and (b) reasonably cooperate with the other Parties and provide the other Parties with such assistance as may be reasonably requested for the purpose of facilitating the performance by each Party of its respective obligations under this Agreement and to enable the Surviving Corporation to continue to meet its obligations under this Agreement following the Closing. Without limiting the generality of the foregoing, each Party shall use reasonable best efforts to: (i) make all filings and other submissions (if any) and give all notices (if any) required to be made and given by such Party in connection with the Contemplated Transactions, (ii) obtain each Consent (if any) reasonably required to be obtained (pursuant to any applicable Law or Contract, or otherwise) by such Party in connection with the Contemplated Transactions with respect to Contracts set forth in [Section 5.7](#) of the Company Disclosure Schedule to remain in full force and effect, (iii) lift any injunction prohibiting, or any other legal bar to, the Contemplated Transactions and (iv) satisfy the conditions precedent to the consummation of the Merger.

5.8 Public Announcement. The initial press release relating to this Agreement shall be a joint press release issued by the Company and Parent and thereafter Parent and the Company shall consult with each other before issuing any further press release(s) or otherwise making any public statement or making any announcement to Parent Associates or Company Associates (to the extent not previously issued or made in accordance with this Agreement) with respect to the Contemplated Transactions and shall not issue any such press release, public statement or announcement to Parent Associates or Company Associates without the other Party's prior written consent (which consent shall not be unreasonably withheld, conditioned or delayed). Notwithstanding the foregoing: (a) each Party may, without such consultation or prior written consent, make any public statement in response to questions from the press, analysts, investors or those attending industry conferences, make internal announcements to employees and make disclosures in Parent SEC Documents, so long as such statements are consistent with and do not disclose material information not previously disclosed in previous press releases, public disclosures or public statements made jointly by the Parties (or individually, if approved by the other Party); (b) a Party may, without the prior written consent of the other Party but subject to giving advance notice to the other Party of, and consulting with the other Party regarding, the text of such press release, announcement or statement, issue any such press release or make any such public announcement or statement which Parent shall have determined in good faith, upon the advice of legal counsel, is required by any applicable Law; and (c) Parent need not consult with the Company in connection with such portion of any press release, public statement or filing to be issued or made pursuant to [Section 5.3\(e\)](#) or with respect to any Acquisition Proposal or Parent Board Adverse Recommendation Change.

5.9 Listing. Parent shall use its commercially reasonable efforts, (a) to maintain its existing listing on Nasdaq until the Closing Date and to obtain approval of the listing of the combined company on Nasdaq; (b) without derogating from the generality of the requirements of the foregoing clause (a) and to the extent required by the rules and regulations of Nasdaq, to prepare and submit to Nasdaq a notification form for the listing of the shares of Parent Common Stock to be issued in connection with the Contemplated Transactions, and to cause such shares to be approved for listing (subject to official notice of issuance), (c) to effect the Nasdaq Reverse Split, and (d) to the extent required by Nasdaq Marketplace Rule 5110, to file an initial listing application for the Parent Common Stock on Nasdaq (the "*Nasdaq Listing Application*") and to cause such Nasdaq Listing Application to be conditionally approved prior to the Effective Time. The Parties will use

commercially reasonable efforts to coordinate with respect to compliance with Nasdaq rules and regulations and will reasonably promptly inform the other Party of all verbal or written communications between Nasdaq and such Party or its representatives. The Company agrees to pay all Nasdaq fees associated with the Nasdaq Listing Application. The Company will cooperate with Parent as reasonably requested by Parent with respect to the Nasdaq Listing Application and promptly furnish to Parent all information concerning the Company and its stockholders that may be required or reasonably requested in connection with any action contemplated by this [Section 5.9](#).

5.10 Tax Matters.

(a) For U.S. federal income Tax purposes, (i) the Parties intend that the Merger qualify as a “reorganization” within the meaning of Section 368(a) of the Code (the “**Intended Tax Treatment**”), and (ii) this Agreement is intended to be, and is hereby adopted as, a “plan of reorganization” for purposes of Section 354 and 361 of the Code and Treasury Regulations Sections 1.368-2(g) and 1.368-3(a), to which Parent, Merger Sub and the Company are parties under Section 368(b) of the Code.

(b) The Parties shall use their respective reasonable best efforts to cause the Merger to qualify, and will not take (or knowingly fail to take) any action or cause (or knowingly fail to cause) any action to be taken which action would reasonably be expected to prevent the Merger from qualifying, for the Intended Tax Treatment. The Parties shall use commercially reasonable efforts to operate the Surviving Corporation so as to meet the “continuity of business enterprise” requirement and any other requirements pursuant to Section 368(a)(2)(E) of the Code. The Parties shall not file any U.S. federal, state or local Tax Return in a manner that is inconsistent with the treatment of the Merger as a “reorganization” within the meaning of Section 368(a) of the Code for U.S. federal, state and other relevant Tax purposes, unless otherwise required by a “determination” within the meaning of Section 1313(a) of the Code.

(c) At least ten (10) Business Days prior to Closing, Parent will provide the Company with its determinations regarding the applicability of Section 280G of the Code and reasonable supporting calculations to any employee, officer, director or other service provider of Parent or any of its Subsidiaries that, in connection with the Contemplated Transactions (i) may receive the payment of any “parachute payment” within the meaning of Section 280G of the Code or (ii) may receive a benefit in the form of accelerated vesting, payment, funding or delivery of, or increase the amount or value of, any payment or benefit received.

(d) Each Party shall reasonably cooperate and shall cause its respective Affiliates to reasonably cooperate with each other Party and its agents, including accounting firms and legal counsel, in connection with any Tax Proceeding or the preparation of any Tax Return of the Company or any of its Subsidiaries. Such cooperation shall include each Party making such information and documents in its possession relating to the Company or any of its Subsidiaries reasonably necessary in connection with any Tax Proceeding or such preparation available to the other Party. The Parties shall retain all Tax Returns, schedules, and work papers, and all material records and other documents relating thereto, until the expiration of the applicable statute of limitations (including, to the extent noticed by any Party, any extensions thereof) of the Tax period to which such Tax Returns and other documents and information relate. Each of the Parties shall also make available to the other Party, as reasonably requested and available on a mutually convenient basis, personnel responsible for preparing, maintaining, and interpreting information and documents relevant to Taxes to provide reasonable explanation of any documents or information provided hereunder. Any information or documents provided under this Agreement shall be kept confidential by the Party receiving such information or documents, except as may otherwise be necessary in connection with the filing of Tax Returns or in connection with a Tax Proceeding.

(e) Fifty percent (50%) of any transfer Taxes shall be borne and paid by each of Parent and the Company if and when due. Each of Parent and the Company shall, at its own expense, timely file any Tax Return or other documents with respect to such Taxes.

(f) Parent and its Subsidiaries shall timely file 2025 U.S. federal, state, and foreign income Tax extensions for their applicable Tax Returns. Neither Parent nor any of its Subsidiaries shall file income Tax Returns or any other income Tax related forms (including but not limited to change in accounting method forms) prior to the close of the Merger unless required to meet due dates required by applicable Law (for which a valid extension cannot be made).

5.11 Directors and Officers. The Parties shall take all necessary action so that immediately after the Effective Time, (a) the Parent Board comprises seven (7) members (provided that the total number of directors to comprise the Parent Board immediately after the Effective Time may be changed by the Company at any time prior to the Closing by written notice to Parent), with each member designated by the Company, (b) the Persons listed on Schedule 5.11 under the heading “Officers” are elected or appointed, as applicable, to the positions of officers of Parent, as set forth therein, to serve in such positions effective as of the Effective Time until successors are duly appointed and qualified in accordance with applicable Law and (c) the Persons listed on Schedule 5.11 under the heading “Directors” are elected or appointed, as applicable, to the positions of directors of Parent, as set forth therein, and to the classes of such director positions as set forth therein, to serve in such positions effective as of the Effective Time until successors are duly appointed and qualified in accordance with applicable Law. If any Person listed on Schedule 5.11 under the heading “Officers” is unable or unwilling to serve as an officer of Parent, as set forth therein, as of the Effective Time, the Company shall designate a successor in its sole discretion. If any Person listed on Schedule 5.11 is unable or unwilling to serve as a director of Parent, as set forth therein, as of the Effective Time, the Company shall designate a successor in its sole discretion. The Persons listed on Schedule 5.11 under the heading “Directors” shall be the Company’s designees pursuant to clause (c) of this Section 5.11 (which initial list may include vacancies and be supplemented or changed by the Company at any time prior to the Closing by written notice to Parent to include different board designees who are reasonably acceptable to Parent).

5.12 Termination of Certain Agreements and Rights. The Company shall cause the Investor Agreements set forth on Section 5.12 of the Company Disclosure Schedule to be terminated immediately prior to the Effective Time, without any liability being imposed on the part of Parent or the Surviving Corporation. Parent shall use reasonable best efforts to cause the Contracts set forth on Section 5.12(a) of the Parent Disclosure Schedule to be terminated immediately prior to the Effective Time, without any liability being imposed on the part of Parent or the Surviving Corporation. During the Pre-Closing Period, Parent shall not initiate any research, development or discovery programs (including the nomination of new targets) under the Contracts set forth on Section 5.12(b) of the Parent Disclosure Schedule. Parent shall use commercially reasonable efforts to prepay any costs or expenses to maintain any Legacy Asset (as defined in the CVR Agreement) through the Disposition Period (as defined in the CVR Agreement) under the Contracts set forth on Section 5.12(c) of the Parent Disclosure Schedule.

5.13 Section 16 Matters. Prior to the Effective Time, Parent and the Company shall take all such steps as may be required (to the extent permitted under applicable Laws) to cause any acquisitions of Parent Common Stock, restricted stock awards to acquire Parent Common Stock and any options to purchase Parent Common Stock in connection with the Contemplated Transactions, by each individual who is reasonably expected to become subject to the reporting requirements of Section 16(a) of the Exchange Act with respect to Parent, to be exempt under Rule 16b-3 promulgated under the Exchange Act. At least ten (10) days prior to the Closing Date, the Company shall furnish the following information to Parent for each individual who, immediately after the Effective Time, will become subject to the reporting requirements of Section 16(a) of the Exchange Act with respect to Parent: (a) the number of shares of Company Capital Stock owned by such individual and expected to be exchanged for shares of Parent Common Stock pursuant to the Merger, and (b) the number of other derivative securities (if any) with respect to Company Capital Stock owned by such individual and expected to be converted into shares of Parent Common Stock, restricted stock awards to acquire Parent Common Stock or derivative securities with respect to Parent Common Stock in connection with the Merger.

5.14 Cooperation. Each Party shall cooperate reasonably with the other Party and shall provide the other Party with such assistance as may be reasonably requested for the purpose of facilitating the performance

by each Party of its respective obligations under this Agreement and to enable the combined entity to continue to meet its obligations following the Effective Time.

5.15 Allocation Certificate; Parent Outstanding Shares Certificate.

(a) The Company will prepare and deliver to Parent at least ten (10) Business Days prior to the Closing Date a certificate signed by the Chief Financial Officer of the Company in a form reasonably acceptable to Parent setting forth (as of immediately prior to the Effective Time) (i) each holder of Company Capital Stock and Company Options, (ii) such holder's name and address; (iii) the number and type of Company Capital Stock held or underlying the Company Options as of the immediately prior to the Effective Time for each such holder; (iv) the number of shares of Parent Common Stock to be issued to such holder, or to underlie any Parent Stock Award to be issued to such holder, pursuant to this Agreement in respect of the Company Capital Stock or Company Options held by such holder as of immediately prior to the Effective Time; and (v) each investor in the Concurrent Financing, the total investment to be made by such investor in the Concurrent Financing, the percentage of the Concurrent Financing Proceeds represented by such stockholder's investment in the Concurrent Financing, and the number of shares of Company Common Stock to be issued to such holder pursuant to this Agreement (the "**Allocation Certificate**").

(b) Parent will prepare and deliver to the Company at least ten (10) Business Days prior to the Closing Date a certificate signed by the Chief Financial Officer of Parent in a form reasonably acceptable to the Company, setting forth, as of immediately prior to the Effective Time (i) the number of shares of Parent Common Stock and (ii) the number of shares of Parent Common Stock held or underlying the Parent Stock Awards (including whether such Parent Stock Awards are In the Money Parent Options) or Pre-Funded Warrants, in each case as of the Effective Time for such holder (the "**Parent Outstanding Shares Certificate**").

5.16 Company Financial Statements. To the extent required, the Company will (i) furnish to Parent audited financial statements for the fiscal year ended 2025 for inclusion in the Proxy Statement and the Registration Statement (the "**Company 2025 Audited Financial Statements**") and, collectively with the audited financial statements of the Company as of December 31, 2024, the "**Company Audited Financial Statements**") and (ii) use commercially reasonable efforts to, no later than May 14, 2026, furnish to Parent unaudited interim financial statements for each interim period completed prior to the Closing that would be required to be included in the Registration Statement or any periodic report due prior to the Closing if the Company were subject to the periodic reporting requirements under the Securities Act or the Exchange Act (the "**Company 2026 Interim Financial Statements**") and collectively with the Company 2025 Interim Financial Statements, the "**Company Interim Financial Statements**"). Each of the Company 2025 Audited Financial Statements and the Company 2026 Interim Financial Statements will be suitable for inclusion in the Proxy Statement and the Registration Statement and prepared in accordance with GAAP as applied on a consistent basis during the periods involved (except in each case as described in the notes thereto) and on that basis will present fairly, in all material respects, the consolidated financial position and the results of operations, changes in stockholders' equity, and cash flows of the Company as of the dates of and for the periods referred to in the Company 2025 Audited Financial Statements or the Company 2026 Interim Financial Statements, as the case may be.

5.17 Takeover Statutes. If any Takeover Statute is or may become applicable to the Contemplated Transactions, each of the Company, the Company Board, Parent and the Parent Board, as applicable, shall grant such approvals and take such actions as are necessary so that the Contemplated Transactions may be consummated as promptly as practicable on the terms contemplated by this Agreement and otherwise act to eliminate or minimize the effects of such Takeover Statute on the Contemplated Transactions.

5.18 Stockholder Litigation. Until the earlier of the termination of this Agreement in accordance with its terms or the Effective Time, Parent shall (a) promptly advise the Company in writing of any stockholder litigation or investigation against it or its directors relating to this Agreement, the Merger or the Contemplated Transactions and keep the Company fully informed regarding such stockholder litigation and (b) give the

Company the opportunity to participate in the defense or settlement of any stockholder litigation or investigation relating to this Agreement or any of the Contemplated Transactions, and not settle any such litigation or investigation without the Company's written consent, which will not be unreasonably withheld, conditioned or delayed.

5.19 Equity Plans. Prior to or as of the Effective Time, the Parent Board shall approve, adopt and submit for approval by the stockholders of Parent, and recommend and use commercially reasonable efforts to cause the stockholders of Parent to approve, (a) the 2026 Equity Incentive Plan in a form to be mutually agreed by Parent and the Company (the "**2026 Plan**") which will provide for new awards for a number of shares of Parent Common Stock not exceeding 15% of the Parent Common Stock issued and expected to be outstanding immediately after the Effective Time, as mutually agreed upon by Parent and the Company, and subject to approval by the Parent Board (for avoidance of doubt, such number of shares shall be in addition to the number of shares of Parent Common Stock subject to outstanding Parent Stock Awards or subject to Company Options assumed by Parent as contemplated by [Section 5.5](#)), and which may include an annual increase pursuant to an "evergreen" provision to provide for optional annual increases of up to 5% of the total number of fully diluted shares of capital stock of Parent as of the day prior to such increase; and (b) the 2026 Employee Stock Purchase Plan (the "**2026 ESPP**"), in a form to be mutually agreed by Parent and the Company with a total pool of shares of Parent Common Stock not exceeding 1% of the Parent Common Stock issued and expected to be outstanding immediately after the Effective Time, and may include an annual increase pursuant to an "evergreen" provision providing for an annual increase of up to 1% of the total number of fully diluted shares of capital stock of Parent outstanding as of the day prior to such increase ((a) and (b), collectively, the "**Equity Plan Proposals**"). Subject to the approval of the 2026 Plan by the stockholders of Parent, Parent shall file with the SEC, promptly after the Effective Time, a registration statement on Form S-8 (or any successor form), if available for use by Parent, relating to the shares of Parent Common Stock issuable with respect to the 2026 Plan.

5.20 Parent SEC Documents. From the date of this Agreement until the Effective Time, Parent shall use commercially reasonable efforts to timely file with the SEC all Parent SEC Documents. As of its filing date, or if amended after the date of this Agreement, as of the date of the last such amendment, each Parent SEC Document filed by Parent with the SEC shall comply in all material respects with the applicable requirements of the Exchange Act and the Securities Act.

5.21 Parent Options and RSUs. Before the Effective Time, Parent shall take all actions necessary to provide that all Parent Stock Awards shall be fully vested as of the Effective Time and that no option to purchase Parent Common Stock shall be exercised later than ninety (90) days following the termination of service of the holder of such option.

5.22 Parent Operations Wind-Down. During the Pre-Closing Period, Parent and its Subsidiaries shall, except as the Company shall otherwise consent in writing, wind-down all preclinical, CMC and clinical activities as promptly as practicable after the date hereof, with any liabilities with respect thereto to be reflected on the Net Cash Schedule.

5.23 Concurrent Financing.

(a) Subject to the terms and conditions of this Agreement, the Company shall use reasonable best efforts to obtain the Concurrent Financing on the terms and conditions described in the Subscription Agreement and satisfy the conditions to the Concurrent Financing as described in the Subscription Agreement and shall not permit any termination, amendment or modification to be made to, or any waiver of any provision under, or any replacement of, the Subscription Agreement if such termination, amendment, modification, waiver or replacement (i) reduces the aggregate amount of the Concurrent Financing below the Concurrent Investment Amount or (ii) imposes new or additional conditions or otherwise expands, amends or modifies any of the conditions to the receipt of the Concurrent Financing, or otherwise expands, amends or modifies any other provision of the Subscription Agreement, in a manner that would reasonably be expected to (x) delay or prevent

the Closing or the consummation of the Merger or (y) adversely impact the ability of the Company to enforce its rights against other parties to the Subscription Agreement. The Company shall promptly deliver to Parent copies of any such termination, amendment, modification, waiver or replacement.

(b) The Company shall use reasonable best efforts (i) to maintain in effect the Subscription Agreement, (ii) to enforce its rights under the Subscription Agreement and (iii) to comply with its obligations under the Subscription Agreement.

(c) The Company shall give Parent prompt notice (i) of any material breach or default by any party to the Subscription Agreement or definitive agreements related to the Concurrent Financing of which the Company becomes aware, (ii) of the receipt of any written notice or other written communication from any Purchaser with respect to any (x) actual material breach, default, termination or repudiation by any party to the Subscription Agreement or definitive agreements related to the Concurrent Financing of any provisions of the Subscription Agreement or definitive agreements related to the Concurrent Financing or (y) material dispute or disagreement relating to the Concurrent Financing with respect to the obligation to fund the Concurrent Financing at or substantially simultaneously with the Closing, and (iii) if at any time for any reason the Company believes in good faith that it will not be able to obtain all or any portion of the Concurrent Investment Amount on the terms and conditions, in the manner or from the sources contemplated by the Subscription Agreement or definitive agreements related to the Concurrent Financing. The Company shall promptly provide information reasonably requested by Parent relating to the circumstances referred to in clauses (i), (ii) or (iii) of the immediately preceding sentence.

Section 6. CONDITIONS PRECEDENT TO OBLIGATIONS OF EACH PARTY

The obligations of each Party to effect the Merger and otherwise consummate the Contemplated Transactions to be consummated at the Closing are subject to the satisfaction (or, to the extent permitted by applicable Law, written waiver by each of the Parties) of each of the following conditions:

6.1 No Restraints. No temporary restraining order, preliminary or permanent injunction or other order preventing the consummation of the Contemplated Transactions shall have been issued by any court of competent jurisdiction or other Governmental Body of competent jurisdiction and remain in effect and there shall not be any Law which has the effect of making the consummation of the Contemplated Transactions illegal.

6.2 Stockholder Approval. (a) Parent shall have obtained the Required Parent Stockholder Vote and (b) the Company shall have obtained the Required Company Stockholder Vote and such Required Company Stockholder Vote shall remain in full force and effect and shall not have been revoked.

6.3 Parent Charter Amendment. The Parent Charter Amendment shall have been duly filed with the Secretary of State of the State of Delaware.

6.4 Listing. (a) The existing shares of Parent Common Stock shall have been continually listed on Nasdaq as of and from the date of this Agreement through the Closing Date and (b) the shares of Parent Common Stock to be issued in the Merger pursuant to this Agreement shall have been approved for listing (subject to official notice of issuance) on Nasdaq as of the Closing.

6.5 Subscription Agreement. The Subscription Agreement shall be in full force and effect and cash proceeds of not less than the Concurrent Investment Amount shall have been received by the Company, or will be received by the Company substantially simultaneously with the Closing, in connection with the consummation of the transactions contemplated by the Subscription Agreement.

6.6 Effectiveness of Registration Statement. The Registration Statement shall have become effective in accordance with the provisions of the Securities Act and shall not be subject to any stop order or proceeding (or threatened proceeding by the SEC) seeking a stop order with respect to the Registration Statement that has not been withdrawn.

6.7 Parent Net Cash Determination. Parent Net Cash shall have been finally determined in accordance with Section 1.6.

6.8 HSR Act. All waiting periods (and extensions thereof) applicable to the Merger under the HSR Act shall have expired or otherwise been terminated.

Section 7. ADDITIONAL CONDITIONS PRECEDENT TO OBLIGATIONS OF PARENT AND MERGER SUB

The obligations of Parent and Merger Sub to effect the Merger and otherwise consummate the Contemplated Transactions to be consummated at the Closing are subject to the satisfaction (or, to the extent permitted by applicable Law, written waiver by Parent) of each of the following conditions:

7.1 Accuracy of Representations. (i) The representation and warranty of the Company set forth in clause (y) of Section 2.8 shall have been true and correct in all respects as of the date of this Agreement and shall be true and correct in all respects on and as of the Closing Date with the same force and effect as if made on and as of such date; (ii) the Company Fundamental Representations shall have been true and correct in all material respects as of the date of this Agreement and shall be true and correct in all material respects on and as of the Closing Date with the same force and effect as if made on and as of such date (except to the extent such representations and warranties are specifically made as of a particular date, in which case such representations and warranties shall be true and correct in all material respects as of such date); and (iii) the representations and warranties of the Company contained in this Agreement (other than the Company Fundamental Representations and clause (y) of Section 2.8) shall have been true and correct as of the date of this Agreement and shall be true and correct on and as of the Closing Date with the same force and effect as if made on and as of the Closing Date except (a) in each case, or in the aggregate, where the failure to be so true and correct would not reasonably be expected to have a Company Material Adverse Effect (without giving effect to any references therein to any Company Material Adverse Effect or other materiality qualifications), or (b) for those representations and warranties which address matters only as of a particular date (which representations shall have been true and correct, subject to the qualifications as set forth in the preceding clause (a), as of such particular date) (it being understood that, for purposes of determining the accuracy of such representations and warranties, any update of or modification to the Company Disclosure Schedule made or purported to have been made after the date of this Agreement shall be disregarded).

7.2 Performance of Covenants. The Company shall have performed or complied with in all material respects all agreements and covenants required to be performed or complied with by it under this Agreement at or prior to the Effective Time.

7.3 Documents. Parent shall have received the following documents, each of which shall be in full force and effect:

(a) a certificate executed by the Chief Executive Officer or Chief Financial Officer of the Company certifying (i) that the conditions set forth in Sections 7.1, 7.2, 7.5 and 7.6 have been duly satisfied and (ii) that the information set forth in the Allocation Certificate delivered by the Company in accordance with Section 5.15 is true and accurate in all respects as of the Closing Date; and

(b) the Allocation Certificate.

7.4 FIRPTA Certificate. Parent shall have received (i) an original signed statement from the Company that the Company is not, and has not been at any time during the applicable period specified in Section 897(c)(1)(A)(ii) of the Code, a “United States real property holding corporation,” as defined in Section 897(c)(2) of the Code, conforming to the requirements of Treasury Regulations Sections 1.1445-2(c)(3) and 1.897-2(h), and (ii) an original signed notice to be delivered to the IRS in accordance with the provisions of Treasury Regulations Section 1.897-2(h)(2), together with written authorization for Parent to deliver such notice

to the IRS on behalf of the Company following the Closing, each dated as of the Closing Date, duly executed by an authorized officer of the Company, and in form and substance reasonably acceptable to Parent.

7.5 No Company Material Adverse Effect. Since the date of this Agreement, there shall not have occurred any Company Material Adverse Effect that is continuing.

7.6 Termination of Investor Agreements. The Investor Agreements set forth on Section 5.12 of the Company Disclosure Schedule shall have been terminated (or will be terminated as of the Closing).

7.7 Company Lock-Up Agreements. Parent shall have received the Company Lock-Up Agreements duly executed by each of the Company Lock-Up Signatories and each executive officer and director of the Company who is elected or appointed, as applicable, as an executive officer and director of Parent as of immediately following the Closing, each of which shall be in full force and effect as of immediately following the Effective Time.

Section 8. ADDITIONAL CONDITIONS PRECEDENT TO OBLIGATION OF THE COMPANY

The obligation of the Company to effect the Merger and otherwise consummate the Contemplated Transactions to be consummated at the Closing is subject to the satisfaction (or, to the extent permitted by applicable Law, written waiver by the Company) of each of the following conditions:

8.1 Accuracy of Representations. (i) The representations and warranties of Parent and Merger Sub set forth in clause (y) of Section 3.8 shall have been true and correct in all respects as of the date of this Agreement and shall be true and correct in all respects on and as of the Closing Date with the same force and effect as if made on and as of such date; (ii) the Parent Fundamental Representations shall have been true and correct in all material respects as of the date of this Agreement and shall be true and correct in all material respects on and as of the Closing Date with the same force and effect as if made on and as of such date (except to the extent such representations and warranties are specifically made as of a particular date, in which case such representations and warranties shall be true and correct in all material respects as of such date); and (iii) the representations and warranties of Parent and Merger Sub contained in this Agreement (other than the Parent Fundamental Representations and in clause (y) of Section 3.8) shall have been true and correct as of the date of this Agreement and shall be true and correct on and as of the Closing Date with the same force and effect as if made on and as of the Closing Date except (a) in each case, or in the aggregate, where the failure to be so true and correct would not reasonably be expected to have a Parent Material Adverse Effect (without giving effect to any references therein to any Parent Material Adverse Effect or other materiality qualifications), or (b) for those representations and warranties which address matters only as of a particular date (which representations shall have been true and correct, subject to the qualifications as set forth in the preceding clause (a), as of such particular date) (it being understood that, for purposes of determining the accuracy of such representations and warranties, any update of or modification to the Parent Disclosure Schedule made or purported to have been made after the date of this Agreement shall be disregarded).

8.2 Performance of Covenants. Parent and Merger Sub shall have performed or complied with in all material respects all of their agreements and covenants required to be performed or complied with by each of them under this Agreement at or prior to the Effective Time.

8.3 Documents. The Company shall have received the following documents, each of which shall be in full force and effect:

(a) a certificate executed by the Chief Executive Officer or Chief Financial Officer of Parent certifying that the conditions set forth in Sections 8.1, 8.2 and 8.4 have been duly satisfied;

(b) the Parent Outstanding Shares Certificate;

(c) the Parent Closing Financial Certificate, a draft of which shall have been provided at least five (5) Business Days prior to the Closing, which certificate shall be accompanied by such supporting documentation, information and calculations as are reasonably requested by the Company to verify and determine the information contained therein;

(d) a written resignation, in a form reasonably satisfactory to the Company, dated as of the Closing Date and effective as of the Effective Time, executed by each of the directors of Parent who are not to continue as directors of Parent after the Effective Time pursuant to [Section 5.11](#) hereof; and

(e) the executed CVR Agreement.

8.4 No Parent Material Adverse Effect. Since the date of this Agreement, there shall not have occurred any Parent Material Adverse Effect that is continuing.

8.5 Parent Net Cash and Minimum Cash Amount. Parent Net Cash determined in accordance with [Section 1.6](#) shall be greater than or equal to \$0. Parent's Cash and Cash Equivalents as of the Anticipated Closing Date determined in accordance with [Section 1.6](#) shall be greater than or equal to \$1,000,000.

Section 9. TERMINATION

9.1 Termination. This Agreement may be terminated prior to the Effective Time (whether before or after approval of the Company Stockholder Matters by the Company's stockholders and whether before or after approval of the Parent Stockholder Matters by Parent's stockholders, unless otherwise specified below):

(a) by mutual written consent of Parent and the Company;

(b) by either Parent or the Company if the Contemplated Transactions shall not have been consummated by September 1, 2026 (subject to possible extension as provided in this [Section 9.1\(b\)](#), the "**End Date**"); *provided, however*, that the right to terminate this Agreement under this [Section 9.1\(b\)](#) shall not be available to the Company, on the one hand, or to Parent, on the other hand, if such Party's action or failure to act has been a principal cause of the failure of the Contemplated Transactions to occur on or before the End Date and such action or failure to act constitutes a breach of this Agreement, *provided, further, however*, that, in the event that (i) the SEC has not declared the Registration Statement effective under the Securities Act or (ii) the waiting periods (and extensions thereof) applicable to the Merger under the HSR Act have not expired or otherwise been terminated by the date which is thirty (30) calendar days prior to the End Date, then either Parent or the Company shall be entitled to extend the End Date for an additional sixty (60) calendar days by written notice to the Company;

(c) by either Parent or the Company if a court of competent jurisdiction or other Governmental Body shall have issued a final and nonappealable order, decree or ruling, or shall have taken any other action, having the effect of permanently restraining, enjoining or otherwise prohibiting the Contemplated Transactions; *provided, however*, that the right to terminate this Agreement under this [Section 9.1\(c\)](#) shall not be available to the Company, on the one hand, or to Parent, on the other hand, if such Party's action or failure to act has been a principal cause of the failure of any such Governmental Body issuing any such order, decree or ruling or taking any such other action;

(d) by Parent if, subject to [Section 4.5](#), the Company Stockholder Written Consent executed by each Company Signatory shall not have been obtained within seven (7) Business Days of the Registration Statement becoming effective in accordance with the provisions of the Securities Act; *provided, however*, that once the Company Stockholder Written Consent has been obtained, Parent may not terminate this Agreement pursuant to this [Section 9.1\(d\)](#);

(e) by either Parent or the Company if (i) the Parent Stockholders' Meeting (including any adjournments and postponements thereof) shall have been held and completed and Parent's stockholders shall have taken a final vote on the Parent Stockholder Matters and (ii) the Parent Stockholder Matters shall not have been approved at the Parent Stockholders' Meeting (or at any adjournment or postponement thereof) by the Required Parent Stockholder Vote; *provided, however*, that the right to terminate this Agreement under this [Section 9.1\(e\)](#), shall not be available to Parent where the failure to obtain the Required Parent Stockholder Vote shall have been caused by the action or failure to act of Parent and such action or failure to act constitutes a material breach by Parent of this Agreement;

(f) by the Company (at any time prior to the approval of the Parent Stockholder Matters by the Required Parent Stockholder Vote) if a Parent Triggering Event shall have occurred;

(g) by Parent (at any time prior to the Required Company Stockholder Vote being obtained) if a Company Triggering Event shall have occurred;

(h) by the Company (at any time prior to the approval of the Parent Stockholder Matters by the Required Parent Stockholder Vote and following compliance in all material respects with all of the requirements set forth in [Section 5.2\(e\)\(i\)](#)) concurrently with entering into a Permitted Alternative Agreement and after having paid to Parent the Parent Termination Fee pursuant to [Section 9.3\(c\)](#);

(i) by the Company, upon a breach of any representation, warranty, covenant or agreement set forth in this Agreement by Parent or Merger Sub or if any representation or warranty of Parent or Merger Sub shall have become inaccurate, in either case, such that the conditions set forth in [Section 8.1](#) or [Section 8.2](#) would not be satisfied as of the time of such breach or as of the time such representation or warranty shall have become inaccurate; *provided* that the Company is not then in material breach of any representation, warranty, covenant or agreement under this Agreement; *provided, further*, that if such inaccuracy in Parent's or Merger Sub's representations and warranties or breach by Parent or Merger Sub is curable by the End Date by Parent or Merger Sub, then this Agreement shall not terminate pursuant to this [Section 9.1\(i\)](#) as a result of such particular breach or inaccuracy until the earlier of (i) the End Date and (ii) the expiration of a thirty (30) calendar day period commencing upon delivery of written notice from the Company to Parent of such breach or inaccuracy and its intention to terminate pursuant to this [Section 9.1\(i\)](#) (it being understood that this Agreement shall not terminate pursuant to this [Section 9.1\(i\)](#) as a result of such particular breach or inaccuracy if such breach by Parent or Merger Sub is cured prior to such termination becoming effective); or

(j) by Parent, upon a breach of any representation, warranty, covenant or agreement set forth in this Agreement by the Company or if any representation or warranty of the Company shall have become inaccurate, in either case, such that the conditions set forth in [Section 7.1](#) or [Section 7.2](#) would not be satisfied as of the time of such breach or as of the time such representation or warranty shall have become inaccurate; *provided* that neither Parent nor Merger Sub is then in material breach of any representation, warranty, covenant or agreement under this Agreement; *provided, further*, that if such inaccuracy in the Company's representations and warranties or breach by the Company is curable by the End Date by the Company then this Agreement shall not terminate pursuant to this [Section 9.1\(j\)](#) as a result of such particular breach or inaccuracy until the earlier of (i) the End Date and (ii) the expiration of a thirty (30) calendar day period commencing upon delivery of written notice from Parent to the Company of such breach or inaccuracy and its intention to terminate pursuant to this [Section 9.1\(j\)](#) (it being understood that this Agreement shall not terminate pursuant to this [Section 9.1\(j\)](#) as a result of such particular breach or inaccuracy if such breach by the Company is cured prior to such termination becoming effective).

The Party desiring to terminate this Agreement pursuant to this [Section 9.1](#), shall give the other Party written notice of such termination, specifying the provisions hereof pursuant to which such termination is made and the basis therefor described in reasonable detail.

9.2 Effect of Termination. In the event of the termination of this Agreement as provided in [Section 9.1](#), this Agreement shall be of no further force or effect; *provided, however*, that (a) this [Section 9.2](#), [Section 5.8](#), [Section 9.3](#), [Section 10](#) and the definitions of the defined terms in such Sections (including the definitions of such defined terms set forth in [Exhibit A](#)) shall survive the termination of this Agreement and shall remain in full force and effect following such termination, and (b) the termination of this Agreement and the provisions of [Section 9.3](#) shall not relieve any Party of any liability for fraud or for any willful and material breach of any representation, warranty, covenant, obligation or other provision contained in this Agreement.

9.3 Expenses; Termination Fees.

(a) Except as set forth in this [Section 9.3](#), [Section 1.6\(g\)](#), [Section 5.4](#), [Section 5.9](#) and [Section 5.10\(e\)](#), the Transaction Expenses shall be paid by the Party incurring such expenses, whether or not the Merger is consummated; *provided* that the Company shall bear 60% of all fees and expenses incurred in relation to (i) the printing and filing with the SEC of the Registration Statement and Proxy Statement and any amendments and supplements thereto and paid to a financial printer or the SEC, and (ii) the proxy solicitation firm engaged in connection with the Parent Stockholders' Meeting.

(b) If:

(i) (A) this Agreement is terminated pursuant to [Section 9.1\(b\)](#), [Section 9.1\(e\)](#) or [Section 9.1\(i\)](#), (B) an Acquisition Proposal with respect to Parent shall have been publicly announced, disclosed or otherwise communicated to Parent or the Parent Board at any time after the date of this Agreement but prior to the termination of this Agreement (which shall not have been withdrawn) and (C) within twelve (12) months after the date of such termination, Parent enters into a definitive agreement with respect to a Subsequent Transaction or consummates a Subsequent Transaction in respect of the Acquisition Proposal referred to in clause (B) or in respect of any other Acquisition Proposal; or

(ii) this Agreement is terminated by the Company pursuant to [Section 9.1\(f\)](#) (or, at the time this Agreement is terminated, the Company had the right to terminate this Agreement pursuant to [Section 9.1\(f\)](#));

then Parent shall pay to the Company a nonrefundable fee in an amount equal to \$1,425,000 (the "**Company Termination Fee**"), in the case of [Section 9.3\(b\)\(i\)](#), upon the consummation of such Subsequent Transaction or, in the case of [Section 9.3\(b\)\(ii\)](#), concurrently with the termination of this Agreement plus any amount payable to the Company pursuant to [Section 9.3\(f\)](#).

(c) If:

(i) (A) this Agreement is terminated pursuant to [Section 9.1\(b\)](#), [Section 9.1\(d\)](#), or [Section 9.1\(j\)](#), (B) an Acquisition Proposal with respect to the Company shall have been publicly announced, disclosed or otherwise communicated to the Company or the Company Board at any time after the date of this Agreement but prior to obtaining the Required Company Stockholder Vote (which shall not have been withdrawn, (1) in the case of a termination pursuant to [Section 9.1\(b\)](#) or [Section 9.1\(j\)](#), at the time the Required Company Stockholder Vote is obtained and (2) in the case of a termination pursuant to [Section 9.1\(d\)](#), at the time of such termination) and (C) within twelve (12) months after the date of such termination, the Company enters into a definitive agreement with respect to a Subsequent Transaction or consummates a Subsequent Transaction in respect of the Acquisition Proposal referred to in clause (B) or in respect of any other Acquisition Proposal;

(ii) this Agreement is terminated by Parent pursuant to [Section 9.1\(g\)](#) (or, at the time this Agreement is terminated, Parent had the right to terminate this Agreement pursuant to [Section 9.1\(g\)](#)); or

(iii) this Agreement is terminated pursuant to [Section 9.1\(h\)](#);

then (A) the Company shall pay to Parent an amount equal to \$50,000,000 (the "**Parent Termination Fee**"), in the case of [Section 9.3\(c\)\(i\)](#) in the event this Agreement is terminated pursuant to [Section 9.1\(d\)](#) or [Section 9.1\(j\)](#),

upon the consummation of such Subsequent Transaction or, in the case of [Section 9.3\(c\)\(ii\)](#) and [Section 9.3\(c\)\(iii\)](#), concurrently with the termination of this Agreement, plus any amount payable to Parent pursuant to [Section 9.3\(f\)](#) and (B) the Company shall pay to Parent an amount equal to \$10,000,000 in the case of [Section 9.3\(c\)\(i\)](#) in the event this Agreement is terminated pursuant to [Section 9.1\(h\)](#), upon the consummation of such Subsequent Transaction, plus any amount payable to Parent pursuant to [Section 9.3\(f\)](#) (the “**Parent Termination Fee**”).

(d) (i) If this Agreement is terminated pursuant to [Section 9.1\(e\)](#), [Section 9.1\(f\)](#) or [Section 9.1\(i\)](#) or (ii) in the event of the failure of the Company to consummate the transactions to be contemplated at the Closing solely as a result of a Parent Material Adverse Effect as set forth in [Section 8.4](#) (provided, that at such time all of the other conditions precedent to Parent’s obligation to close set forth in [Section 6](#) and [Section 7](#) have been satisfied by the Company, are capable of being satisfied by the Company or have been waived by Parent), then Parent shall reimburse the Company for all reasonable out-of-pocket fees and expenses incurred by the Company in connection with this Agreement and the Contemplated Transactions (such expenses, collectively, the “**Third Party Expenses**”), up to a maximum of \$500,000, by wire transfer of same-day funds within ten (10) Business Days following the date on which the Company submits to Parent true and correct copies of reasonable documentation supporting such Third Party Expenses; *provided, however*, that such Third Party Expenses shall not include any amounts for financial advisors to the Company except for reasonably documented out-of-pocket expenses otherwise reimbursable by the Company to such financial advisors pursuant to the terms of the Company’s engagement letter or similar arrangement with such financial advisors. For the avoidance of doubt, to the extent any Third Party Expenses are paid, such amounts shall be credited against any Company Termination Fee which becomes payable thereafter.

(e) (i) If this Agreement is terminated pursuant to [Section 9.1\(d\)](#), [Section 9.1\(g\)](#) or [Section 9.1\(j\)](#) or (ii) in the event of the failure of Parent to consummate the transactions to be consummated to the Closing solely as a result of a Company Material Adverse Effect as set forth in [Section 7.5](#) provided, that at such time all of the other conditions precedent to the Company’s obligation to close set forth in [Section 6](#) and [Section 8](#) have been satisfied by Parent are capable of being satisfied by Parent or have been waived by the Company, the Company shall reimburse Parent for all Third Party Expenses incurred by Parent up to a maximum of \$500,000, by wire transfer of same-day funds within ten (10) Business Days following the date on which Parent submits to the Company true and correct copies of reasonable documentation supporting such Third Party Expenses; *provided, however*, that such Third Party Expenses shall not include any amounts for financial advisors to Parent except for reasonably documented out-of-pocket expenses otherwise reimbursable by Parent to such financial advisors pursuant to the terms of Parent’s engagement letter or similar arrangement with such financial advisors. For the avoidance of doubt, to the extent any Third Party Expenses are paid, such amounts shall be credited against any Parent Termination Fee which becomes payable thereafter.

(f) Any Company Termination Fee or Parent Termination Fee due under this [Section 9.3](#) shall be paid by wire transfer of same day funds. If a Party fails to pay when due any amount payable by it under this [Section 9.3](#), then (i) such Party shall reimburse the other Party for reasonable out-of-pocket costs and expenses (including reasonable and out-of-pocket fees and disbursements of counsel) incurred in connection with the collection of such overdue amount and the enforcement by the other Party of its rights under this [Section 9.3](#), and (ii) such Party shall pay to the other Party interest on such overdue amount (for the period commencing as of the date such overdue amount was originally required to be paid and ending on the date such overdue amount is actually paid to the other Party in full) at a rate per annum equal to the “prime rate” (as published in *The Wall Street Journal* or any successor thereto) in effect on the date such overdue amount was originally required to be paid plus three percent (3%).

(g) The Parties agree that, (i) subject to [Section 9.2](#), payment of the Company Termination Fee shall, in the circumstances in which it is owed in accordance with the terms of this Agreement, constitute the sole and exclusive remedy of the Company following the termination of this Agreement under the circumstances described in [Section 9.3\(h\)](#), it being understood that in no event shall Parent be required to pay the amounts

payable pursuant to this [Section 9.3](#) on more than one occasion and (ii) following payment of the Company Termination Fee (x) Parent shall have no further liability to the Company in connection with or arising out of this Agreement or the termination thereof, any breach of this Agreement by Parent giving rise to such termination, or the failure of the Contemplated Transactions to be consummated, (y) neither the Company nor any of its Affiliates shall be entitled to bring or maintain any other claim, action or proceeding against Parent or Merger Sub or seek to obtain any recovery, judgment or damages of any kind against such Parties (or any partner, member, stockholder, director, officer, employee, Subsidiary, Affiliate, agent or other Representative of such Parties) in connection with or arising out of this Agreement or the termination thereof, any breach by any such Parties giving rise to such termination or the failure of the Contemplated Transactions to be consummated and (z) the Company and its Affiliates shall be precluded from any other remedy against Parent, Merger Sub and their respective Affiliates, at law or in equity or otherwise, in connection with or arising out of this Agreement or the termination thereof, any breach by such Party giving rise to such termination or the failure of the Contemplated Transactions to be consummated; *provided, however*, that nothing in this [Section 9.3\(g\)](#) shall limit the rights of Parent and Merger Sub under [Section 10.11](#).

(h) The Parties agree that, (i) subject to [Section 9.2](#), payment of the Parent Termination Fee shall, in the circumstances in which it is owed in accordance with the terms of this Agreement, constitute the sole and exclusive remedy of Parent following the termination of this Agreement under the circumstances described in [Section 9.3\(c\)](#), it being understood that in no event shall the Company be required to pay the amounts payable pursuant to this [Section 9.3](#) on more than one occasion and (ii) following payment of the Parent Termination Fee (x) the Company shall have no further liability to Parent in connection with or arising out of this Agreement or the termination thereof, any breach of this Agreement by the Company giving rise to such termination, or the failure of the Contemplated Transactions to be consummated, (y) neither Parent nor any of its Affiliates shall be entitled to bring or maintain any other claim, action or proceeding against the Company or seek to obtain any recovery, judgment or damages of any kind against the Company (or any partner, member, stockholder, director, officer, employee, Subsidiary, Affiliate, agent or other Representative of the Company) in connection with or arising out of this Agreement or the termination thereof, any breach by the Company giving rise to such termination or the failure of the Contemplated Transactions to be consummated and (z) Parent and its Affiliates shall be precluded from any other remedy against the Company and its Affiliates, at law or in equity or otherwise, in connection with or arising out of this Agreement or the termination thereof, any breach by such Party giving rise to such termination or the failure of the Contemplated Transactions to be consummated; *provided, however*, that nothing in this [Section 9.3\(h\)](#) shall limit the rights of the Company under [Section 10.11](#).

(i) Each of the Parties acknowledges that (i) the agreements contained in this [Section 9.3](#) are an integral part of the Contemplated Transactions, (ii) without these agreements, the Parties would not enter into this Agreement and (iii) any amount payable pursuant to this [Section 9.3](#) is not a penalty, but rather is liquidated damages in a reasonable amount that will compensate the applicable Party in the circumstances in which such amount is payable.

Section 10. MISCELLANEOUS PROVISIONS

10.1 Non-Survival of Representations and Warranties. The representations, warranties and covenants of the Company, Parent and Merger Sub contained in this Agreement or any certificate or instrument delivered pursuant to this Agreement shall terminate at the Effective Time, and only the covenants that by their terms survive the Effective Time and this [Section 10](#) shall survive the Effective Time.

10.2 Amendment. This Agreement may be amended with the approval of the Company, Merger Sub and Parent at any time (whether before or after obtaining the Required Company Stockholder Vote or before or after obtaining the Required Parent Stockholder Vote); *provided, however*, that after any such approval of this Agreement by a Party's stockholders, no amendment shall be made which by Law requires further approval of such stockholders without the further approval of such stockholders. This Agreement may not be amended except by an instrument in writing signed on behalf of each of the Company, Merger Sub and Parent.

10.3 Waiver.

(a) No failure on the part of any Party to exercise any power, right, privilege or remedy under this Agreement, and no delay on the part of any Party in exercising any power, right, privilege or remedy under this Agreement, shall operate as a waiver of such power, right, privilege or remedy; and no single or partial exercise of any such power, right, privilege or remedy shall preclude any other or further exercise thereof or of any other power, right, privilege or remedy.

(b) No Party shall be deemed to have waived any claim arising out of this Agreement, or any power, right, privilege or remedy under this Agreement, unless the waiver of such claim, power, right, privilege or remedy is expressly set forth in a written instrument duly executed and delivered on behalf of such Party and any such waiver shall not be applicable or have any effect except in the specific instance in which it is given.

10.4 Entire Agreement; Counterparts; Exchanges by Electronic Transmission. This Agreement, the Company Disclosure Schedule, the Parent Disclosure Schedule and the other agreements referred to in this Agreement constitute the entire agreement and supersede all prior agreements and understandings, both written and oral, among or between any of the Parties with respect to the subject matter hereof and thereof; *provided, however*, that the Confidentiality Agreement shall not be superseded and shall remain in full force and effect in accordance with its terms. This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument. The exchange of a fully executed Agreement (in counterparts or otherwise) by all Parties by electronic transmission in PDF format shall be sufficient to bind the Parties to the terms and conditions of this Agreement.

10.5 Applicable Law; Jurisdiction; WAIVER OF JURY TRIAL. This Agreement shall be governed by, and construed in accordance with, the Laws of the State of Delaware, regardless of the Laws that might otherwise govern under applicable principles of conflicts of laws. In any action or proceeding between any of the Parties arising out of or relating to this Agreement or any of the Contemplated Transactions, each of the Parties: (a) irrevocably and unconditionally consents and submits to the exclusive jurisdiction and venue of the Court of Chancery of the State of Delaware or, to the extent such court does not have subject matter jurisdiction, the United States District Court for the District of Delaware or, to the extent that neither of the foregoing courts has jurisdiction, the Superior Court of the State of Delaware; (b) agrees that all claims in respect of such action or proceeding shall be heard and determined exclusively in accordance with clause (a) of this Section 10.5; (c) waives any objection to laying venue in any such action or proceeding in such courts; (d) waives any objection that such courts are an inconvenient forum or do not have jurisdiction over any Party; (e) agrees that service of process upon such Party in any such action or proceeding shall be effective if notice is given in accordance with Section 10.8 of this Agreement; and (f) IRREVOCABLY AND UNCONDITIONALLY WAIVES THE RIGHT TO TRIAL BY JURY.

10.6 Attorneys' Fees. In any action at law or suit in equity to enforce this Agreement or the rights of any of the Parties, the prevailing Party in such action or suit (as determined by a court of competent jurisdiction) shall be entitled to recover its reasonable out-of-pocket attorneys' fees and all other reasonable costs and expenses incurred in such action or suit.

10.7 Assignability. This Agreement shall be binding upon, and shall be enforceable by and inure solely to the benefit of, the Parties and their respective successors and permitted assigns; *provided, however*, that neither this Agreement nor any of a Party's rights or obligations hereunder may be assigned or delegated by such Party without the prior written consent of the other Party, and any attempted assignment or delegation of this Agreement or any of such rights or obligations by such Party without the other Party's prior written consent shall be void and of no effect.

10.8 Notices. All notices and other communications hereunder shall be in writing and shall be deemed to have been duly delivered and received hereunder (a) one (1) Business Day after being sent for next Business

Day delivery, fees prepaid, via a reputable international overnight courier service, (b) upon delivery in the case of delivery by hand, or (c) on the date delivered in the place of delivery if sent by email (provided that no bounceback or similar “undeliverable” message is received by such sender) prior to 5:00 p.m. Eastern Time, otherwise on the next succeeding Business Day, in each case to the intended recipient as set forth below:

if to Parent or Merger Sub:

Rallybio Corporation
234 Church Street
New Haven, CT 06510
Attention: Jonathan Lieber
Email: [***]

with a copy to (which shall not constitute notice):

Ropes & Gray LLP
Prudential Tower
800 Boylston Street
Boston, MA 02199
Attention: Zachary Blume; Tyler Silvey
Email: [***]; [***]

if to the Company:

Candid Therapeutics, Inc.
11622 El Camino Real, Suite 150
San Diego, CA 92130
Attention: [***]
Email: [***]

with a copy to (which shall not constitute notice):

Cooley LLP
10265 Science Center Dr.
San Diego, CA 92121
Attention: Rama Padmanabhan; Lindsey O’Crump; Carlos Ramirez
Email: [***]; [***]; [***]

10.9 Cooperation. Each Party agrees to cooperate fully with the other Party and to execute and deliver such further documents, certificates, agreements and instruments and to take such other actions as may be reasonably requested by the other Party to evidence or reflect the Contemplated Transactions and to carry out the intent and purposes of this Agreement.

10.10 Severability. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions of this Agreement or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction. If a final judgment of a court of competent jurisdiction declares that any term or provision of this Agreement is invalid or unenforceable, the Parties agree that the court making such determination shall have the power to limit such term or provision, to delete specific words or phrases or to replace such term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision, and this Agreement shall be valid and enforceable as so modified. In the event such court does not exercise the power granted to it in the prior sentence, the Parties agree to replace such invalid or unenforceable term or provision with a valid and enforceable term or provision that will achieve, to the extent possible, the economic, business and other purposes of such invalid or unenforceable term or provision.

10.11 Other Remedies: Specific Performance. Except as otherwise provided herein, any and all remedies herein expressly conferred upon a Party will be deemed cumulative with and not exclusive of any other remedy conferred hereby, or by law or equity upon such Party, and the exercise by a Party of any one remedy will not preclude the exercise of any other remedy. The Parties agree that irreparable damage for which monetary damages, even if available, would not be an adequate remedy, would occur in the event that any Party does not perform the provisions of this Agreement (including failing to take such actions as are required of it hereunder to consummate this Agreement) in accordance with their specified terms or otherwise breaches such provisions. Accordingly, the Parties acknowledge and agree that the Parties shall be entitled to an injunction, specific performance and other equitable relief to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in any court of the United States or any state thereof having jurisdiction, in addition to any other remedy to which they are entitled at law or in equity. Each of the Parties agrees that it will not oppose the granting of an injunction, specific performance or other equitable relief on the basis that any other Party has an adequate remedy at law or that any award of specific performance is not an appropriate remedy for any reason at law or in equity. Any Party seeking an injunction or injunctions to prevent breaches of this Agreement shall not be required to provide any bond, surety or other security in connection with any such order or injunction.

10.12 No Third Party Beneficiaries. Nothing in this Agreement, express or implied, is intended to or shall confer upon any Person (other than the Parties and the D&O Indemnified Parties to the extent of their respective rights pursuant to [Section 5.6](#)) any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

10.13 Construction.

(a) References to “cash,” “dollars” or “\$” are to U.S. dollars.

(b) For purposes of this Agreement, whenever the context requires: the singular number shall include the plural, and vice versa; the masculine gender shall include the feminine and neuter genders; the feminine gender shall include the masculine and neuter genders; and the neuter gender shall include masculine and feminine genders.

(c) The Parties have participated jointly in the negotiating and drafting of this Agreement and agree that any rule of construction to the effect that ambiguities are to be resolved against the drafting Party shall not be applied in the construction or interpretation of this Agreement, and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any provision of this Agreement.

(d) As used in this Agreement, the words “include” and “including,” and variations thereof, shall not be deemed to be terms of limitation, but rather shall be deemed to be followed by the words “without limitation.”

(e) As used in this Agreement, the word “extent” in the phrase “to the extent” means the degree to which a subject extends and does not simply mean “if.”

(f) As used in this Agreement, the word “or” shall not be exclusive (*i.e.*, “or” shall be deemed to mean “and/or”).

(g) Except as otherwise indicated, all references in this Agreement to “Sections,” “Exhibits” and “Schedules” are intended to refer to Sections of this Agreement and Exhibits and Schedules to this Agreement, respectively.

(h) Any reference to legislation or to any provision of any legislation shall include any modification, amendment, re-enactment thereof, any legislative provision substituted therefore and all rules, regulations, and statutory instruments issued or related to such legislations.

(i) The bold-faced headings and table of contents contained in this Agreement are for convenience of reference only, shall not be deemed to be a part of this Agreement and shall not be referred to in connection with the construction or interpretation of this Agreement.

(j) The Parties agree that each of the Company Disclosure Schedule and the Parent Disclosure Schedule shall be arranged in sections and subsections corresponding to the numbered and lettered sections and subsections contained in this Agreement. The disclosures in any section or subsection of the Company Disclosure Schedule or the Parent Disclosure Schedule shall qualify other sections and subsections in this Agreement to the extent it is readily apparent on its face from a reading of the disclosure that such disclosure is applicable to such other sections and subsections.

(k) Each of “delivered” or “made available” means, with respect to any documentation, that prior to 11:59 p.m. Eastern Time on the date that is two (2) calendar days prior to the date of this Agreement (i) a copy of such material has been posted to and made available by a Party to the other Party and its Representatives in the electronic data room maintained by such disclosing Party or (ii) such material is disclosed in the Parent SEC Documents filed with the SEC prior to the date hereof and publicly made available on the SEC’s Electronic Data Gathering Analysis and Retrieval system.

(l) Whenever the last day for the exercise of any privilege or the discharge of any duty hereunder shall fall upon a Saturday, Sunday, or any date on which banks in New York, New York are authorized or obligated by Law to be closed, the Party having such privilege or duty may exercise such privilege or discharge such duty on the next succeeding day which is a regular Business Day.

(m) Unless otherwise indicated, (i) when calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such period will be excluded; (ii) if the last day of such period is not a Business Day, then the period in question will end on the next Business Day; (iii) if any action (other than any action described in [Section 5.4](#)) must be taken on or by a day that is not a Business Day, then such action may be validly taken on or by the next day that is a Business Day; (iv) the measure of a period of one month or year for purposes of this Agreement will be the day of the following month or year corresponding to the starting date; and (v) if no corresponding date exists, then the end date of such period being measured will be the next actual day of the following month or year (for example, one month following February 18 is March 18 and one month following March 31 is May 1). References to “from” or “through” any date mean, unless otherwise specified, from and including or through and including such date, respectively.

10.14 Defined Terms Defined Elsewhere.

<u>Term</u>	<u>Section</u>
2026 ESPP	5.19
2026 Plan	5.19
Accounting Firm	1.6(e)
Agreement	Preamble
Allocation Certificate	5.15(a)
Anti-Bribery Laws	2.23
Anticipated Closing Date	1.6(a)
Asset Disposition(s)	4.7
Certificate of Merger	1.3
Certifications	3.6(a)
Closing	1.3
Closing Date	1.3

[Table of Contents](#)

<u>Term</u>	<u>Section</u>
COBRA	2.12(c)(iv)
Company	Preamble
Company 2025 Audited Financial Statements	5.16
Company 2026 Interim Financial Statements	5.16
Company Audited Financial Statements	5.16
Company Balance Sheet	2.7
Company Benefit Plan	2.12(a)
Company Board Adverse Recommendation Change	5.2(d)
Company Board Recommendation	5.2(d)
Company Budget	4.2(b)(v)
Company Bylaws	2.1(b)
Company Charter	2.1(b)
Company Determination Notice	5.2(e)(i)
Company Disclosure Schedule	Section 2
Company EIP	5.5(a)
Company Financial Statements	2.6(a)
Company In-bound License	2.19(b)
Company Interim Financial Statements	5.16
Company Licensed IP	2.19(b)
Company Lock-Up Agreement	Recitals
Company Lock-Up Signatories	Recitals
Company Material Contracts	2.16(a)
Company Notice Period	5.2(e)(i)
Company Out-bound License	2.19(c)
Company Products	2.11(c)
Company Registered IP	2.19(a)
Company Safety Notices	2.11(g)
Company Stock Awards	2.2(b)
Company Stock Certificate	1.8
Required Company Stockholder Vote	2.4(c)
Company Stockholder Matters	5.2(a)
Company Stockholder Support Agreement	Recitals
Company Stockholder Written Consent(s)	Recitals
Company Termination Fee	9.3(b)
Covered Person	3.2(e)
CVR	1.7
CVR Agreement	1.7
Determination Notice	5.3(d)(i)
Dispute Notice	1.6(b)
Disqualifying Event	3.2(e)
Dissenting Shares	1.10(a)
D&O Indemnified Parties	5.6(a)
Effective Time	1.3
Encumbrances	2.5(a)
End Date	9.1(b)
Environmental Law	2.14(b)
Equity Plan Proposals	5.19
Exchange Agent	1.9(a)
Exchange Fund	1.9(a)
FDA	2.11(c)
FDA Ethics Policy	2.11(h)

[Table of Contents](#)

Term	Section
Hazardous Substance	2.14(c)
Health Care Laws	2.11(a)
HIPAA	2.11(k)
Information Statement	5.2(a)
Intended Tax Treatment	5.10(a)
IT Systems	2.19(g)
Merger	Recitals
Merger Sub	Preamble
Nasdaq Listing Application	5.9
Net Cash Calculation	1.6(a)
Net Cash Schedule	1.6(a)
Ordinary Course Agreement	2.15(g)
Parent	Preamble
Parent Benefit Plan	3.12(a)
Parent Board Adverse Recommendation Change	5.3(c)
Parent Board Recommendation	5.3(c)
Parent Charter Amendment	1.4(b)
Parent Disclosure Schedule	Section 3
Parent In-bound License	3.19(b)
Parent IT Systems	3.19(g)
Parent Licensed IP	3.19(b)
Parent Material Contracts	3.16(a)
Parent Notice Period	5.3(d)(i)
Parent Out-bound License	3.19(c)
Parent Outstanding Shares Certificate	5.15(b)
Parent Products	3.11(c)
Parent Registered IP	3.19(a)
Parent Safety Notices	3.11(g)
Parent SEC Documents	3.6(a)
Parent Stock Awards	3.2(b)
Parent Stockholder Matters	5.3(a)(ii)
Parent Stockholders' Meeting	5.3(a)
Parent Stockholder Support Agreement	Recitals
Parent Termination Fee	9.3(c)
PBGC	2.12(c)(iii)
Pension Plan	2.12(b)
Permits	2.10
Permitted Encumbrances	2.18(a)
Pre-Closing Distribution	1.7
Pre-Closing Period	4.1(a)
Privacy Laws	2.19(h)
Purchasers	2.25(a)
Required Company Stockholder Vote	2.4(c)
Required Parent Stockholder Vote	3.4(c)
Response Date	1.6(b)
Reverse Stock Split Proposal	1.4(b)
Rights Agent	1.7
Stockholder Notice	5.2(c)
Subscription Agreement	Recitals

<u>Term</u>	<u>Section</u>
Surviving Corporation	1.1
Tax Action	2.15(d)
Tax Opinion	5.1(c)
Third Party Expenses	9.3(d)
WARN Act	2.13(d)

[Signature pages follow]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the date first above written.

RALLYBIO CORPORATION

By: /s/ Jonathan I. Lieber
Name: Jonathan I. Lieber
Title: Chief Financial Officer and Treasurer

FARMINGTON MERGER SUB, INC.

By: /s/ Jonathan I. Lieber
Name: Jonathan I. Lieber
Title: President and Secretary

[Signature Page to Agreement and Plan of Merger and Reorganization]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the date first above written.

CANDID THERAPEUTICS, INC.

By: /s/ Kenneth Song, M.D.
Name: Kenneth Song, M.D.
Title: Chief Executive Officer

[Signature Page to Agreement and Plan of Merger and Reorganization]

EXHIBIT A
CERTAIN DEFINITIONS

For purposes of this Agreement (including this Exhibit A):

“Acquisition Inquiry” means, with respect to a Party, an inquiry, indication of interest or request for information (other than an inquiry, indication of interest or request for information made or submitted by the Company or any of its Affiliates, on the one hand, or Parent or any of its Affiliates, on the other hand, to the other Party) that could reasonably be expected to lead to an Acquisition Proposal; *provided, however*, that the term **“Acquisition Inquiry”** shall not include the Merger or the other Contemplated Transactions or any transactions related to the Asset Dispositions or Concurrent Financing.

“Acquisition Proposal” means, with respect to a Party, any offer or proposal, whether written or oral (other than an offer or proposal made or submitted by or on behalf of the Company or any of its Affiliates, on the one hand, or by or on behalf of Parent or any of its Affiliates, on the other hand, to the other Party) contemplating or otherwise relating to any Acquisition Transaction with such Party, other than the Asset Dispositions and the Concurrent Financing.

“Acquisition Transaction” means any transaction or series of related transactions (other than the Asset Dispositions and the Concurrent Financing) involving: any merger, consolidation, amalgamation, share exchange, business combination, issuance of securities, acquisition of securities, reorganization, recapitalization, tender offer, exchange offer or other similar transaction: (i) in which a Party is a constituent entity; (ii) in which a Person or “group” (as defined in the Exchange Act) of Persons directly or indirectly acquires beneficial or record ownership of securities representing more than 20% of the outstanding securities of any class of voting securities of a Party or any of its Subsidiaries; or (iii) in which a Party or any of its Subsidiaries issues securities representing more than 20% of the outstanding securities of any class of voting securities of such Party or any of its Subsidiaries; or (y) any sale, lease, exchange, transfer, license, acquisition or disposition of any business or businesses or assets that constitute or account for 20% or more of the consolidated book value or the fair market value of the assets of a Party and its Subsidiaries, taken as a whole.

“Affiliate” means, with respect to a Person, any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person. The term **“control”** (including the corollary terms **“controlled by”** and **“under common control with”**) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by Contract or otherwise.

“Agreement” means the Agreement and Plan of Merger and Reorganization to which this **Exhibit A** is attached, as it may be amended from time to time.

“Antitrust Laws” means the HSR Act or any other applicable U.S. or foreign competition, antitrust, merger control or investment Laws.

“Authorized Share Increase” means an increase in the number of authorized shares of Parent Capital Stock that Parent is authorized to issue to a number determined by the Company in its sole discretion.

“Business Day” means any day other than a Saturday, Sunday or other day on which banks in New York, New York are authorized or obligated by Law to be closed.

“Cash and Cash Equivalents” means cash, currency, and cash equivalents as determined in accordance with GAAP, including (a) all cash and cash equivalents in deposit accounts or other similar accounts, (b) marketable securities with maturities of three (3) months or less, (c) checks, money orders, and other negotiable instruments, (d) cash in transit. Cash and Cash Equivalents shall be net of the amount of any

outstanding checks or other payment obligations that have been issued but not yet cleared, and (e) prepaid expenses, including those set forth on Schedule A of the Parent Disclosure Schedule. For the avoidance of doubt, “Cash and Cash Equivalents” excludes any restricted cash, escrowed amounts, or amounts held as collateral for obligations, including letters of credit and performance bonds.

“**Code**” means the Internal Revenue Code of 1986.

“**Company Associate**” means any current or former employee, independent contractor, officer or director of the Company.

“**Company Board**” means the board of directors of the Company.

“**Company Capital Stock**” means the Company Common Stock and the Company Preferred Stock.

“**Company Change in Circumstance**” means a change in circumstances (other than any such event, development or change to the extent related to (A) any Acquisition Proposal, Acquisition Inquiry or the consequences thereof, or (B) the fact, in and of itself, that the Company meets or exceeds internal budgets, plans or forecasts of its revenues, earnings or other financial performance or results of operations) that affects the business, assets or operations of the Company or any of its Subsidiaries that occurs or arises after the date of this Agreement.

“**Company Common Stock**” means the Common Stock, \$0.0001 par value per share, of the Company.

“**Company Fundamental Representations**” means the representations and warranties of the Company set forth in Sections 2.1(a) (Organization, Standing and Power), 2.2 (Capital Stock), 2.3 (Subsidiaries), 2.4 (Authority) and 2.24 (Brokers).

“**Company Material Adverse Effect**” means any Effect that, considered together with all other Effects, has or would reasonably be expected to have a material adverse effect on the business, condition (financial or otherwise), assets, liabilities or results of operations of the Company, taken as a whole; *provided, however*, that any Effect, individually or together with other Effects, arising or resulting from the following shall not be taken into account in determining whether there has been a Company Material Adverse Effect: (a) general business, political, or economic conditions generally affecting the industry in which the Company operates, including with respect to the imposition of, or adjustments to, tariffs or other trade restrictions; (b) acts of war, the outbreak or escalation of armed hostilities, acts of terrorism, earthquakes, wildfires, hurricanes or other natural disasters, health emergencies, including pandemics and related or associated epidemics, disease outbreaks or quarantine restrictions; (c) changes in financial, banking or securities markets; (d) any change in, or any compliance with or action taken for the purpose of complying with, any Law or GAAP (or interpretations of any Law or GAAP); (e) the announcement of this Agreement or the pendency of the Contemplated Transactions; (f) resulting from the taking of any action expressly required to be taken by this Agreement; or (g) continued losses from operations or decreases in cash balances of the Company; except, with respect to clauses (a) through (d), to the extent such Effect disproportionately affects the Company, taken as a whole, relative to other similarly situated companies in the industries in which the Company operates, in which case, such Effect shall be taken into account to the extent of such disproportionate effect on the Company.

“**Company Option**” means any option or other right to purchase shares of Company Capital Stock issued by the Company.

“**Company Owned IP**” means all Intellectual Property owned by the Company or any of its Subsidiaries in whole or in part.

“**Company Preferred Stock**” means the Company Series A Preferred Stock and the Company Series B Preferred Stock, collectively.

“**Company Series A Preferred Stock**” means the Series A-1 Preferred Stock, par value \$0.0001 per share, and the Series A-2 Preferred Stock, par value \$0.0001 per share, of the Company.

“**Company Series B Preferred Stock**” means the Series B Preferred Stock, par value \$0.0001 per share, of the Company.

“**Company Signatories**” means the officers, directors and stockholders of the Company set forth on **Schedule A** hereto.

“**Company Triggering Event**” shall be deemed to have occurred if: (a) the Company Board shall have made a Company Board Adverse Recommendation Change; (b) the Company Board or any committee thereof shall have publicly approved, endorsed or recommended any Acquisition Proposal; or (c) following the date of this Agreement, the Company shall have entered into any letter of intent or similar document or any Contract relating to any Acquisition Proposal.

“**Concurrent Financing**” means an acquisition of shares of Company Common Stock to be consummated immediately prior to the Effective Time pursuant to the Subscription Agreement with aggregate gross cash proceeds of at least the Concurrent Investment Amount.

“**Concurrent Financing Allocation Percentage**” means the quotient (rounded to four decimal places) determined by *dividing* (A) the Concurrent Financing Proceeds by (B) the Aggregate Valuation.

“**Concurrent Financing Merger Shares**” means, subject to Section 1.5(f), the product determined by *multiplying* (i) the Post-Closing Parent Shares by (ii) the Concurrent Financing Allocation Percentage.

“**Concurrent Financing Proceeds**” means the proceeds resulting from the Concurrent Financing.

“**Concurrent Investment Amount**” means \$200,000,000.

“**Confidentiality Agreement**” means the Mutual Confidential Disclosure Agreement, dated as of February 2, 2026, by and between the Company and Parent.

“**Consent**” means any approval, consent, ratification, permission, waiver or authorization (including any Permits).

“**Contemplated Transactions**” means the Merger and the other transactions and actions contemplated by this Agreement, including the Nasdaq Reverse Split, the Parent Charter Amendment, the Concurrent Financing and the Asset Dispositions.

“**Contract**” means, with respect to any Person, any agreement, contract, subcontract, lease (whether for real or personal property), mortgage, license, sublicense or other legally binding commitment or undertaking of any nature to which such Person is a party or by which such Person or any of its assets are bound or affected under applicable Law.

“**DGCL**” means the General Corporation Law of the State of Delaware.

“**Effect**” means any effect, change, event, circumstance or development.

“**Enforceability Exceptions**” means the (a) Laws of general application relating to bankruptcy, insolvency and the relief of debtors; and (b) rules of law governing specific performance, injunctive relief and other equitable remedies.

“**Entity**” means any corporation (including any non-profit corporation), partnership (including any general partnership, limited partnership or limited liability partnership), joint venture, estate, trust, company (including any company limited by shares, limited liability company or joint stock company), firm, society or other enterprise, association, organization or entity, and each of its successors.

“**ERISA**” means the Employee Retirement Income Security Act of 1974.

“**Excepted Contracts**” means (a) shrink-wrap, click wrap and off-the-shelf Contracts for commercially available software or services, (b) Contracts that have expired on their own terms or were terminated prior to the date hereof that do not have any continuing obligations, rights or interests (other than obligations to maintain confidentiality or indemnification provided in the Ordinary Course of Business), (c) any materials transfer agreements, sponsored research agreements, services agreements or other similar Contracts entered into in the Ordinary Course of Business, (d) Contracts with clinical trial sites, subcontractors and/or vendors, in each case, entered into in the Ordinary Course of Business and where any license granted thereunder by the Company or Parent, as applicable, is incidental to the primary purpose of such Contract, (e) Contracts containing an inbound license granted to the Company or Parent, as applicable, to use third party Intellectual Property, where such license is not material to the Company or Parent, as applicable, taken as a whole, (f) nondisclosure agreements entered into (x) in the Ordinary Course of Business or (y) in connection with discussions, negotiations and transactions related to this Agreement or any transactions that were evaluated and/or pursued as an alternative to the transactions contemplated hereby, and (g) any Contract for the purchase of services, consumables, materials, equipment or supplies that is entered into the Ordinary Course of Business.

“**Exchange Act**” means the Securities Exchange Act of 1934.

“**Exchange Ratio**” means, subject to [Section 1.5\(f\)](#), the following ratio (rounded to four decimal places): the quotient obtained by *dividing* (a) the Company Merger Shares by (b) the Company Outstanding Shares, in which:

- “**Aggregate Valuation**” means the sum of (i) the Company Valuation, *plus* (ii) the Parent Valuation *plus* (iii) the Concurrent Financing Proceeds.
- “**Company Allocation Percentage**” means the Company Valuation *divided by* the Aggregate Valuation.
- “**Company Merger Shares**” the product determined by *multiplying* (a) the Post-Closing Parent Shares *by* (b) the Company Allocation Percentage.
- “**Company Valuation**” means \$750,000,000.
- “**Company Outstanding Shares**” means the total number of shares of Company Capital Stock outstanding immediately prior to the Effective Time (excluding any shares of Company Common Stock issued in the Concurrent Financing), expressed on a fully-diluted and as-converted to Company Common Stock basis and using the treasury stock method, but assuming, without limitation or duplication, (i) the exercise of all Company Options outstanding as of immediately prior to the Effective Time, and (ii) the issuance of shares of Company Capital Stock in respect of all other outstanding options, restricted stock awards, restricted stock units, warrants or rights to receive such shares, whether conditional or unconditional and including any outstanding options, warrants, restricted stock awards, restricted stock units or rights triggered by or associated with the consummation of the Merger (but excluding any shares of Company Capital Stock reserved for issuance other than with respect to outstanding Company Options as of immediately prior to the Effective Time).
- “**Parent Allocation Percentage**” means the Parent Valuation *divided by* the Aggregate Valuation.
- “**Parent Equity Value**” means \$10,000,000.

- “**Parent Outstanding Shares**” means, subject to [Section 1.5\(f\)](#) (that addresses, among other things, the possibility to effect the Nasdaq Reverse Split) and the immediately following sentence, the total number of shares of Parent Common Stock outstanding immediately prior to the Effective Time, expressed on a fully-diluted basis and using the treasury stock method (and shall include, for the avoidance of doubt, all In the Money Parent Options), but assuming, without limitation or duplication, the issuance of shares of Parent Common Stock in respect of all Parent Stock Awards, Pre-Funded Warrants, and other outstanding options, warrants or rights to receive such shares, in each case, outstanding as of immediately prior to the Effective Time (assuming cashless exercise), whether conditional or unconditional and including any outstanding options, warrants or rights triggered by or associated with the consummation of the Merger (but excluding any shares of Parent Common Stock reserved for issuance other than with respect to outstanding Parent Stock Awards as of immediately prior to the Effective Time and as set forth above). For the avoidance of doubt, no Out of the Money Parent Options shall be included in the total number of shares of Parent Common Stock outstanding for purposes of determining the Parent Outstanding Shares.
- “**Parent Target Net Cash**” means \$37,500,000.
- “**Parent Valuation**” means (i) if Parent Net Cash is greater than Parent Target Net Cash, the sum of (w) Parent Equity Value *plus* (x) Parent Target Net Cash *plus* (y) the amount by which Parent Net Cash exceeds Parent Target Net Cash, (ii) if Parent Net Cash is equal to Parent Target Net Cash, the sum of (x) Parent Equity Value *plus* (y) Parent Target Net Cash, or (iii) if Parent Net Cash is less than Parent Target Net Cash, the sum of (w) Parent Equity Value *plus* (x) Parent Target Net Cash *minus* (y) the amount by which Parent Target Net Cash exceeds Parent Net Cash.
- “**Post-Closing Parent Shares**” means the quotient obtained by *dividing* the Parent Outstanding Shares by the Parent Allocation Percentage.

Set forth on [Schedule I](#) is an illustrative example of Exchange Ratio calculations as of the date of this Agreement.

“**GAAP**” means generally accepted accounting principles and practices in effect from time to time within the United States applied consistently throughout the period involved.

“**Governmental Body**” means any: (a) nation, state, commonwealth, province, territory, county, municipality, district or other jurisdiction of any nature; (b) federal, state, local, municipal, foreign or other government; (c) governmental or quasi-governmental authority of any nature (including any governmental division, department, agency, commission, bureau, instrumentality, official, ministry, fund, foundation, center, organization, unit, body or Entity and any court or other tribunal, and for the avoidance of doubt, any taxing authority); or (d) self-regulatory organization (including Nasdaq).

“**HSR Act**” means the Hart-Scott-Rodino Antitrust Improvements Act of 1976.

“**Intellectual Property**” means all intellectual property rights of any kind or nature in any jurisdiction throughout the world, including all of the following: (i) trademarks or service marks (whether registered or unregistered), trade names, domain names, social media user names, social media addresses, logos, slogans, and trade dress, including applications to register any of the foregoing, together with the goodwill symbolized by any of the foregoing; (ii) patents, utility models and any similar or equivalent statutory rights with respect to the protection of inventions, and all applications for any of the foregoing, together with all re-issuances, continuations, continuations-in-part, divisionals, revisions, extensions and reexaminations thereof; (iii) copyrights (registered and unregistered) and applications for registration; (iv) trade secrets and customer lists, in each case to the extent any of the foregoing derive economic value (actual or potential) from not being generally known to other Persons who can obtain economic value from their disclosure or use, and other confidential information (“**Confidential Information**”); and (v) any other proprietary or intellectual property rights of any kind or nature, to the extent protected by applicable law.

“In the Money Parent Options” shall mean any Parent Options with an exercise price less than or equal to the Parent Closing Price (subject to adjustment to reflect any stock split, division or subdivision of shares, stock dividend, reverse stock split, consolidation of shares, reclassification, recapitalization or other similar transaction with respect to Parent Common Stock).

“Investor Agreement” shall mean any stockholders agreements, voting agreements, registration rights agreements, co-sale agreements and any other similar Contracts between the Company and any holders of any share of Company Capital Stock, including any such Contract granting any Person investor rights, rights of first refusal, registration rights or director designation rights.

“Investor Agreement Termination Consent” shall mean the consent required to terminate the Investor Agreements set forth on Section 5.12 of the Company Disclosure Schedule in accordance with Section 5.12.

“IRS” means the U.S. Internal Revenue Service.

“knowledge” of any party means (i) the actual knowledge of any executive officer of such party or (ii) any fact or matter which any such officer of such party would be expected to discover or otherwise become aware of in the course of conducting a reasonably comprehensive investigation, consistent with such officer’s title and responsibilities, concerning the existence of the relevant matter.

“Law” means any federal, state, national, foreign, material local or municipal or other law, statute, constitution, principle of common law, resolution, ordinance, code, edict, decree, rule, regulation, ruling or requirement issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any Governmental Body (including under the authority of Nasdaq or the Financial Industry Regulatory Authority).

“Legal Proceeding” means any action, suit, litigation, arbitration, proceeding (including any civil, criminal, administrative, investigative or appellate proceeding), hearing, inquiry, audit, examination or investigation commenced, brought, conducted or heard by or before, or otherwise involving, any court or other Governmental Body or any arbitrator or arbitration panel.

“Merger Consideration” means, on a per share basis, the number of shares of Parent Common Stock issuable in exchange for each share of Company Capital Stock, as applicable, in accordance with Section 1.5(a).

“Merger Sub Board” means the board of directors of Merger Sub.

“Nasdaq” means the Nasdaq Stock Market, including the Nasdaq Capital Market or such other Nasdaq market on which shares of Parent Common Stock are then listed.

“Nasdaq Reverse Split” means a reverse stock split of all outstanding shares of Parent Common Stock at a reverse stock split ratio mutually agreed to by Parent and the Company that is effected by Parent for the purpose of maintaining compliance with Nasdaq listing standards or for the combined company to meet the initial listing standards of Nasdaq or otherwise if deemed advisable by the Company.

“Ordinary Course of Business” means, in the case of each of the Company and Parent, such actions taken in the ordinary course of its and its Subsidiaries’ normal operations and consistent with its and its Subsidiaries’ past practices and the Ordinary Course of Business of Parent shall also include actions required to effect the Asset Dispositions or effect the winding down of Parent’s prior research and development activities (including the termination of ongoing contractual obligations relating to Parent’s current products or product candidates).

“Organizational Documents” means, with respect to any Person (other than an individual), (a) the certificate or articles of association or incorporation or organization or limited partnership or limited liability

company, and any joint venture, limited liability company, operating or partnership agreement and other similar documents adopted or filed in connection with the creation, formation or organization of such Person and (b) all bylaws, regulations and similar documents or agreements relating to the organization or governance of such Person, in each case, as amended or supplemented.

“Out of the Money Parent Options” shall mean Parent Options with an exercise price greater than the Parent Closing Price (subject to adjustment to reflect any stock split, division or subdivision of shares, stock dividend, reverse stock split, consolidation of shares, reclassification, recapitalization or other similar transaction with respect to Parent Common Stock).

“Parent Associate” means any current or former employee, independent contractor, officer or director of Parent or any of its Subsidiaries.

“Parent Balance Sheet” means the unaudited balance sheet of Parent as of September 30, 2025 included in Parent’s Report on Form 10-Q for the quarterly period ended September 30, 2025, as filed with the SEC.

“Parent Board” means the board of directors of Parent.

“Parent Capital Stock” means the Parent Common Stock and the Parent Preferred Stock.

“Parent Change in Circumstance” means a change in circumstances (other than any such event, development or change to the extent related to (A) any Acquisition Proposal, Acquisition Inquiry or the consequences thereof, or (B) the fact, in and of itself, that Parent meets or exceeds internal budgets, plans or forecasts of its revenues, earnings or other financial performance or results of operations) that affects the business, assets or operations of Parent or any of its Subsidiaries that occurs or arises after the date of this Agreement.

“Parent Closing Financial Certificate” means a certificate executed by the Chief Financial Officer of Parent, on behalf of Parent and not in his or her personal capacity, certifying Parent Net Cash as of the Anticipated Closing Date.

“Parent Closing Price” means the price per share in an amount equal to (a) the Parent Valuation divided by (b) the Parent Outstanding Shares.

“Parent Common Stock” means the Common Stock, \$0.0001 par value per share, of Parent.

“Parent Fundamental Representations” means the representations and warranties of Parent and Merger Sub set forth in Sections 3.1(a) (Organization, Standing and Power), 3.2(a) and (b) (Capital Stock), 3.4 (Authority) and 3.22 (Brokers).

“Parent Material Adverse Effect” means any Effect that, considered together with all other Effects, has or would reasonably be expected to have a material adverse effect on the business, condition (financial or otherwise), assets, liabilities or results of operations of Parent or its Subsidiaries, taken as a whole; *provided, however*, that any Effect, individually or together with other Effects, arising or resulting from the following shall not be taken into account in determining whether there has been a Parent Material Adverse Effect: (a) general business, political or economic conditions generally affecting the industry in which Parent or any of its Subsidiaries operate, including with respect to the imposition of, or adjustments to, tariffs or other trade restrictions; (b) acts of war, the outbreak or escalation of armed hostilities, acts of terrorism, earthquakes, wildfires, hurricanes or other natural disasters, health emergencies, including pandemics and related or associated epidemics, disease outbreaks or quarantine restrictions; (c) changes in financial, banking or securities markets; (d) any change in, or any compliance with or action taken for the purpose of complying with, any Law or GAAP

(or interpretations of any Law or GAAP); (e) any change in the stock price or trading volume of Parent Common Stock (it being understood, however, that any Effect causing or contributing to any change in stock price or trading volume of Parent Common Stock may be taken into account in determining whether a Parent Material Adverse Effect has occurred, unless such Effects are otherwise excepted from this definition); (f) the failure of Parent to meet internal or analysts' expectations or projections or the results of operations of Parent (it being understood, however, that any Effect causing or contributing to the failure of Parent to meet internal or analysts' expectations or projections or the results of operations of Parent may be taken into account in determining whether a Parent Material Adverse Effect has occurred, unless such Effects are otherwise excepted from this definition); (g) any changes in or affecting clinical trial programs or studies conducted by or on behalf of Parent or its Subsidiaries, including any adverse data, event or outcome arising out of or related to any such programs or studies; (h) the announcement of this Agreement or the pendency of the Contemplated Transactions; (i) the Asset Dispositions; (j) any reduction in the amount of Parent's Cash and Cash Equivalents as a result of expenditures made by Parent related to wind down activities of Parent associated with the termination of its research and development activities (including the termination of ongoing contractual obligations relating to Parent current products or product candidates); or (k) the taking of any action expressly required to be taken by this Agreement; except, with respect to clauses (a) through (d), to the extent disproportionately affecting Parent and its Subsidiaries, taken as a whole, relative to other similarly situated companies in the industries in which Parent and its Subsidiaries operate, in which case, such Effect shall be taken into account to the extent of such disproportionate effect on Parent and its Subsidiaries.

"Parent Net Cash" means, without duplication, (a) Parent's Cash and Cash Equivalents as of the Anticipated Closing Date, *minus* (b) Parent's accounts payable, accrued expenses (including Parent's unpaid Transaction Expenses, the costs of any tail policy associated with any directors' and officers' insurance policy to be bound at the Closing, and 40% of all fees and expenses incurred in relation to (i) the printing and filing with the SEC of the Registration Statement and Proxy Statement and any amendments and supplements thereto and paid to a financial printer or the SEC, and (ii) the proxy solicitation firm engaged in connection with the Parent Stockholders' Meeting), lease termination costs, notice payments, fines or other payments to be made by Parent in order to terminate any existing agreements to which Parent is a party, and any other estimated expenses associated with the wind-down of Parent's prior research and development activities at or after Closing, actual and estimated costs and expenses incurred in connection with the Asset Dispositions and other bona fide current and long-term liabilities (with any such liabilities, to the extent not required to be set forth in a balance sheet prepared in accordance with GAAP, to be resolved by Parent and the Company in good faith), *minus* (c) any severance or change-in-control or payments (including associated payroll taxes) that become payable by Parent to any director, officer, employee or consultant of Parent or any of its Subsidiaries or other Person in connection with the consummation of the Contemplated Transactions.

"Parent Option" means any option or other right to purchase shares of Parent Common Stock.

"Parent Owned IP" means all Intellectual Property owned by Parent or any of its Subsidiaries in whole or in part.

"Parent Preferred Stock" means the Preferred Stock, \$0.0001 par value per share, of Parent.

"Personal Information" means any information that alone or in combination with other information can be used to identify an individual.

"Parent Triggering Event" shall be deemed to have occurred if: (a) Parent shall have failed to include in the Proxy Statement the Parent Board Recommendation or shall have made a Parent Board Adverse Recommendation Change; (b) the Parent Board or any committee thereof shall have publicly approved, endorsed or recommended any Acquisition Proposal; (c) following the date of this Agreement, Parent shall have entered into any letter of intent or similar document or Contract relating to any Acquisition Proposal (other than a confidentiality agreement permitted pursuant to [Section 4.4](#)) in violation of the terms of this Agreement;

(d) Parent or any director or officer of Parent shall have willfully and intentionally breached the provisions set forth in [Section 4.4](#) or [Section 5.3](#); or
(e) the Parent Board shall have failed to publicly reaffirm the Parent Board Recommendation within ten (10) Business Days after the Company so requests in writing, *provided*, that the Company may only make such request once every thirty (30) days unless there has been a publicly disclosed change regarding an Acquisition Proposal.

“**Party**” or “**Parties**” means, each of or collectively, as applicable, the Company, Merger Sub and Parent.

“**Permitted Alternative Agreement**” means a definitive agreement that contemplates or otherwise relates to an Acquisition Transaction that constitutes a Superior Offer.

“**Person**” means any individual, Entity or Governmental Body.

“**Potentially Transferable Assets**” means all assets, technology and Intellectual Property of Parent as they existed at any time prior to the date of this Agreement.

“**Pre-Funded Warrants**” means each of the Pre-Funded Warrants to purchase shares of Parent Common Stock issued by Parent on November 15, 2022 to the holders thereof.

“**Proxy Statement**” means the definitive proxy statement/prospectus to be sent to Parent’s stockholders in connection with the Parent Stockholders’ Meeting.

“**Reference Date**” means February 26, 2026.

“**Registration Statement**” means the registration statement on Form S-4 (or any other applicable form under the Securities Act to register Parent Common Stock) to be filed with the SEC by Parent registering the public offering and sale of Parent Common Stock to some or all holders of Company Capital Stock in the Merger, including all shares of Parent Common Stock to be issued in exchange for all shares of Company Capital Stock in the Merger, as such registration statement may be amended prior to the time it is declared effective by the SEC.

“**Representatives**” means, with respect to a Person, such Person’s directors, officers, employees, agents, attorneys, accountants, investment bankers, advisors and representatives.

“**Sarbanes-Oxley Act**” means the Sarbanes-Oxley Act of 2002.

“**SEC**” means the United States Securities and Exchange Commission.

“**Securities Act**” means the Securities Act of 1933.

“**Subsequent Transaction**” means any Acquisition Transaction (with all references to 20% in the definition of Acquisition Transaction being treated as references to greater than 50% for these purposes).

“**Subsidiary**” means, with respect to a Person, an Entity that such Person directly or indirectly owns or purports to own, beneficially or of record, (a) an amount of voting securities or other interests in such Entity that is sufficient to enable such Person to elect at least a majority of the members of such Entity’s board of directors or other governing body, or (b) at least 50% of the outstanding equity, voting, beneficial or financial interests in such Entity.

“**Superior Offer**” means an unsolicited bona fide written Acquisition Proposal (with all references to 20% in the definition of Acquisition Transaction being treated as references to greater than 50% for these

purposes) that: (a) was not obtained or made as a result of a breach of (or in violation of) this Agreement; and (b) is on terms and conditions that the Parent Board or the Company Board, as applicable, determines in good faith, based on such matters that it deems relevant (including the likelihood of consummation thereof and the financing terms thereof), as well as any written offer by the Company or Parent, as applicable, to amend the terms of this Agreement, and following consultation with its outside legal counsel and outside financial advisors, are more favorable, from a financial point of view, to Parent's stockholders or the Company's stockholders, as applicable, than the terms of the Contemplated Transactions and is not subject to any financing condition (and if financing is required, such financing is then fully committed to the third party).

"Takeover Statute" means any "fair price," "moratorium," "control share acquisition" or other similar anti-takeover Law.

"Tax" means all U.S. federal, state, local, foreign and other net income, gross income, gross receipts, sales, use, stock, ad valorem, transfer, transaction, franchise, profits, gains, registration, license, wages, lease, service, service use, employee and other withholding, social security, unemployment, welfare, disability, payroll, employment, excise, severance, stamp, occupation, workers' compensation, premium, real property, personal property, windfall profits, net worth, capital, value-added, alternative or add-on minimum, customs duties, estimated, escheat, unclaimed property and other taxes, fees, assessments, charges or levies of any kind whatsoever in the nature of tax (whether imposed directly or through withholding and including taxes of any third party in respect of which a Person may have a duty to collect or withhold and remit and any amounts resulting from the failure to file any Tax Return), whether disputed or not, together with any interest and any penalties, additions to tax or additional amounts with respect thereto.

"Tax Proceeding" means any proposed audit, assessment, examination, claim or other controversy or proceeding relating to an amount of Taxes of the Company or any of its Subsidiaries.

"Tax Return" means any return, declaration, report, election, claim for refund, information return, or statement filed or supplied or required to be filed or supplied to any Governmental Body with respect to Taxes, including any schedule, attachment or supplement thereto, and including any amendment thereof.

"Transaction Expenses" means, with respect to each Party, all fees and expenses incurred by such Party at or prior to the Effective Time in connection with the Contemplated Transactions and this Agreement, including (a) any fees and expenses of legal counsel and accountants and the maximum amount of fees and expenses payable to financial advisors, investment bankers, brokers, consultants, and other advisors of such Party; (b) fees paid to the SEC in connection with filing the Registration Statement, the Proxy Statement, and any amendments and supplements thereto, with the SEC; (c) any fees and expenses in connection with the printing, mailing and distribution of the Proxy Statement and Registration Statement and any amendments and supplements thereto; (d) any fees and expenses payable to Nasdaq; and (e) any fees and expenses of the Rights Agent and the Exchange Agent.

"Treasury Regulations" means the U.S. Treasury regulations promulgated under the Code.

EXHIBIT B-1
FORM OF COMPANY STOCKHOLDER SUPPORT AGREEMENT
(see attached)
Exhibit B-1-1

EXHIBIT B-2
FORM OF PARENT STOCKHOLDER SUPPORT AGREEMENT
(see attached)
Exhibit B-2-1

EXHIBIT C
FORM OF COMPANY LOCK-UP AGREEMENT
(see attached)
Exhibit C-1

EXHIBIT D
FORM OF CVR AGREEMENT
(see attached)
Exhibit D-1



March 1, 2026

PERSONAL AND CONFIDENTIAL

The Board of Directors
Rallybio Corporation
234 Church Street
New Haven, Connecticut 06510

Members of the Board of Directors of Rallybio Corporation:

You have requested our opinion as to the fairness, from a financial point of view, to Rallybio Corporation, a Delaware corporation ("**Parent**"), of the Exchange Ratio (as defined in the Agreement) proposed to be paid by Parent pursuant to the terms of the Agreement and Plan of Merger and Reorganization (the "**Agreement**") to be entered into by and among Parent, Farmington Merger Sub, Inc., a Delaware corporation ("**Merger Sub**"), and Candid Therapeutics, Inc., a Delaware corporation (the "**Company**"), which provides, among other things, for the merger of Company with and into Merger Sub with the Company as the surviving entity (the "**Merger**"), as a result of which the Company will become a wholly-owned subsidiary of Parent.

Pursuant to the Agreement, (a) each outstanding share of common stock of the Company, par value \$0.0001 per share (the "**Company Common Stock**") other than (i) shares of Company Common Stock held in treasury, (ii) Dissenting Shares (as defined in the Agreement), and (iii) shares of Company Common Stock owned by Parent or Merger Sub or any stockholder thereof and (iv) shares of Company Common Stock to be issued in the Concurrent Financing (as defined in the Agreement) will be converted into the right to receive a number of shares of common stock of Parent, par value \$0.0001 per share (the "**Parent Common Stock**"), equal to the Exchange Ratio (as defined in the Agreement); (b) the aggregate number of shares of Company Common Stock issued in the Concurrent Financing will be converted into the Concurrent Financing Merger Shares (as defined in the Agreement), which will be allocated *pro rata* in accordance with each stockholder's investment therein ((a) and (b) together, the "**Merger Consideration**"); and (c) holders of Parent Common Stock prior to the consummation of the Merger will receive contingent value rights relating to the net proceeds received from any disposition or commercialization of certain legacy assets of the Parent (the "**Parent Legacy Assets**") occurring within a specified disposition period (the "**Parent CVRs**"). The terms and conditions of the Merger are more fully set forth in the Agreement.

For purposes of the opinion set forth herein, we have:

- (i) reviewed certain publicly available financial statements and certain other business and financial information relating to Parent;
- (ii) reviewed the historical trading prices and trading activity for the Parent Common Stock;
- (iii) reviewed certain financial and operating data concerning the Company prepared by the management of the Company;
- (iv) reviewed (i) publicly available market capitalization data regarding companies in the biotechnology industry that we believed to be comparable in certain respects to Company; and (ii) publicly available financial terms of certain initial public offerings involving companies in the biotechnology industry that we believed to be comparable in certain respects to the Company;
- (v) participated in discussions with members of the senior management of the Parent and the Company and their respective advisors and representatives;
- (vi) reviewed the Agreement draft, dated as of February 27, 2026, and certain related documents; and
- (vii) performed such other analysis and considered such other factors as we deemed appropriate.

In conducting our review and arriving at our opinion, we have assumed and relied, without independent verification, upon the accuracy and completeness of all information and data that was publicly available or furnished to or otherwise reviewed by or discussed with us. We have further relied upon the assurance of the management of Parent and Company that they are not aware of any facts or circumstances that would make such information inaccurate or misleading. As you are aware, neither Parent's nor Company's management provided us with, and we did not otherwise have access to, financial forecasts regarding Parent's or Company's businesses. Accordingly, we did not perform either discounted cash flow analyses with respect to Parent or Company. In addition, with your consent, we have not made any independent evaluation or appraisal of any of the assets or liabilities (contingent, derivative, off-balance-sheet or otherwise) of Parent or Company, nor have we been furnished with any such evaluation or appraisal, and we have not been asked to conduct, and did not conduct, a physical inspection of the properties or assets of Parent or Company. We have been advised that, given that Parent's assets and liabilities are comprised of cash (net of liabilities) and the Parent Legacy Assets (which currently are contemplated to be disposed) and that Parent is not expected to have any continuing business operations on a standalone basis other than those incidental to Parent's status as a publicly traded company, the management of Parent has not prepared financial forecasts relating to Parent. Accordingly, we have not performed a financial analysis of Parent, Parent Legacy Assets or Parent CVRs, and we have not ascribed any value to the Parent Legacy Assets or Parent CVRs. We have assumed the value of Parent as directed by you.

For purposes of rendering our opinion, we have assumed that the representations and warranties of each party contained in the Agreement are true and correct, that each party will perform all of the covenants and agreements required to be performed by it under the Agreement and that all conditions to the consummation of the Merger will be satisfied without waiver thereof. We have assumed that the final form of the Agreement will not vary materially from the last draft Agreement reviewed by us and that the Merger will be consummated substantially on the terms described in such draft, without any amendment or waiver of material terms or conditions. We have also assumed that all necessary governmental, regulatory and other consents and approvals contemplated by the Agreement will be obtained and that in the course of obtaining those consents and approvals no costs or restrictions will be imposed or waivers made that would have an adverse effect on the contemplated benefits of the Merger. We have relied on the assessments of the Company's management as to, among other things, the Company's product pipeline, future products, technology and intellectual property, including the viability of and risks associated therewith.

We are not legal, tax or regulatory advisors and have relied upon, without independent verification, the assessment of the Parent and the Company and their legal, tax or regulatory advisors with respect to legal, tax or regulatory matters. We are not in the business of appraising tangible assets and have not made any independent valuation or appraisal of any or all of the assets or liabilities (including any contingent, derivative or off-balance-sheet assets or liabilities) of the Parent or the Company, nor have we been furnished with any such valuations or appraisals. In addition, we have not evaluated the solvency of any party to the Agreement under any state or federal laws relating to bankruptcy, insolvency or similar matters. Our opinion is necessarily based on financial, economic, market and other conditions as in effect on, and the information made available to us as of, the date hereof. Events occurring after the date hereof may affect this opinion and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this opinion.

We were not requested to consider, and our opinion does not address, the Parent's underlying business decision to enter into the Agreement and pursue the Merger, or the relative merits of the Merger as compared to any alternative business strategies that might exist for the Parent or the effect of any other transaction in which the Parent might engage. We were not requested to consider, and our opinion does not address, the non-financial terms of the Agreement or the Merger, including, without limitation, the structure or form of the Merger, nor were we asked to address the terms of any related transactions to be entered into by the parties, including, without limitation, the CVRs and the Concurrent Financing, or the fairness of the Merger or any other term or aspect of the Merger to, or any consideration to be received in connection therewith by, or the impact of the Merger on, the holders of any class of securities, creditors or other constituencies of Parent or any other party. This opinion is limited to and addresses only the fairness, from a financial point of view, as of the date hereof, to

Parent of the Exchange Ratio to be paid by Parent pursuant to the terms of the Agreement. Furthermore, we express no opinion with respect to the amount or nature of any compensation to be paid to any officers, directors or employees of any party to the Merger, or any class of such persons, relative to the Merger Consideration or otherwise, or with respect to the fairness of any such compensation.

We, as part of our investment banking business, are customarily engaged in the valuation of businesses and their securities in connection with mergers and acquisitions, negotiated underwritings, competitive biddings, secondary distributions of securities, private placements and valuations for estate, corporate and other purposes.

We have acted as financial advisor to the Parent in connection with the Merger and will receive a fee for providing this opinion, no portion of which is contingent upon the completion of the Merger. In addition, the Parent has agreed to indemnify us against certain liabilities arising out of our engagement. We have not otherwise had a material relationship with, nor otherwise received fees from, the Parent or any other party to the Merger during the two years preceding the date hereof, other than our provision of ordinary course equity research coverage of Parent during this period.

Consistent with applicable legal and regulatory requirements, we have adopted policies and procedures to establish and maintain the independence of our research department and personnel. As a result, our research analysts may hold views, make statements or investment recommendations and/or publish research reports with respect to Parent or the proposed Merger and other participants in the Merger that differ from the views of our investment banking personnel.

In the ordinary course of our trading, brokerage, investment management and financing activities, we or our affiliates may at any time hold long or short positions, and may trade or otherwise effect transactions, for our own account or the accounts of customers, in debt or equity securities of parties to the Merger or other companies or any currency that may be involved in the Merger. In the future, we may maintain other relationships with, and provide advisory and other services to the Company, Parent and their respective affiliates, and may receive fees for providing such services.

This opinion is given at the request of, and is intended for the benefit and use of, the Board of Directors of the Parent in connection with its consideration of the Merger, and it is not intended to be and does not constitute a recommendation to any shareholder of the Parent as to how such shareholder should vote or act on any matter relating to the Merger. This opinion shall not be used for any other purpose, and may not be disseminated, reproduced, quoted from or referred to at any time, without our prior written approval; *provided*, that this opinion may be included in its entirety in any proxy statement, information statement or solicitation/recommendation statement on Schedule 14d-9 required to be delivered to the Parent's stockholders in connection with the Merger, and provided further that we shall have a reasonable opportunity to review, comment on and approve any summary of or reference to this opinion contained in such statements in advance of any such delivery.

The issuance of this opinion was approved by our fairness opinion review committee.

Based upon and subject to the foregoing, we are of the opinion on the date hereof that the Exchange Ratio to be paid by Parent pursuant to the terms of the Agreement is fair, from a financial point of view, to Parent.

Very truly yours,

/s/ Citizens JMP Securities, LLC

CITIZENS JMP SECURITIES, LLC

SUPPORT AGREEMENT

This **SUPPORT AGREEMENT (THIS “AGREEMENT”)** is made as of March 1, 2026, by and between **CANDID THERAPEUTICS, INC.**, a Delaware corporation (“**Company**”), and the Person set forth on Schedule A hereto (the “**Stockholder**”).

WHEREAS, as of the date hereof, the Stockholder is the holder of the number of shares of common stock, par value \$0.0001 per share (“**Common Stock**”) and preferred stock, par value \$0.0001 per share (“**Preferred Stock**” and collectively with the Common Stock, the “**Parent Shares**”), of **RALLYBIO CORPORATION**, a Delaware corporation (the “**Parent**”), set forth opposite the Stockholder’s name on Schedule A (all Parent Shares owned by the Stockholder, or hereafter issued to or otherwise acquired, whether beneficially or of record, or owned by the Stockholder prior to the termination of this Agreement, as well as shares set forth on Schedule A, being referred to herein as the “**Subject Shares**”);

WHEREAS, the Company, Parent and **FARMINGTON MERGER SUB, INC.**, a Delaware corporation and wholly owned subsidiary of Parent (“**Merger Sub**”), propose to enter into an Agreement and Plan of Merger and Reorganization, dated as of the date hereof (the “**Merger Agreement**”), which provides, among other things, for the merger of Merger Sub with and into the Company, with the Company continuing as the surviving company (the “**Merger**”), upon the terms and subject to the conditions set forth in the Merger Agreement (capitalized terms used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Merger Agreement); and

WHEREAS, as a condition to its willingness to enter into the Merger Agreement, Parent has required that the Stockholder, and as an inducement and in consideration therefor, the Stockholder (in the Stockholder’s capacity as a holder of the Subject Shares) has agreed to, enter into this Agreement.

NOW, THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants and agreements set forth below and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, do hereby agree as follows:

ARTICLE I VOTING AGREEMENT; GRANT OF PROXY

The Stockholder hereby covenants and agrees that:

1.1. **Voting of Subject Shares**. From and after the date hereof, at every meeting of the holders of Parent Shares (the “**Parent Stockholders**”), however called, and at every adjournment or postponement thereof (or pursuant to a written consent if the Parent Stockholders act by written consent in lieu of a meeting), the Stockholder shall, or shall cause the holder of record on any applicable record date to, be present (in person or by proxy) and to vote or cause to be voted the Subject Shares (a) in favor of approving the Contemplated Transactions, including the Parent Stockholder Matters, the Authorized Share Increase Proposal and the other actions contemplated by the Merger Agreement, (b) against approval of any proposal made in opposition to, or in competition with, the Merger Agreement or the consummation of the Merger, and (c) against any Acquisition Proposal. Except as permitted under clauses (A) through (K) of Section 1.2 below, the Stockholder shall retain at all times the right to vote the Subject Shares in the Stockholder’s sole discretion and without any other limitation on those matters other than those set forth in this Section 1.1 that are at any time or from time to time presented for consideration to the Parent Stockholders.

1.2. **No Inconsistent Arrangements.** Except as provided hereunder or under the Merger Agreement, prior to the Effective Time, the Stockholder shall not, directly or indirectly, (a) create any Encumbrance other than restrictions imposed by Law or pursuant to this Agreement on any Subject Shares; (b) transfer, sell, assign, gift or otherwise dispose of (collectively, “**Transfer**”), or enter into any contract with respect to any Transfer of, the Subject Shares or any interest therein; (c) grant or permit the grant of any proxy, power of attorney or other authorization in or with respect to the Subject Shares; (d) deposit or permit the deposit of the Subject Shares into a voting trust or enter into a voting agreement or arrangement with respect to the Subject Shares; or (e) take any action that, to the knowledge of the Stockholder, would make any representation or warranty of the Stockholder herein untrue or incorrect in any material respect or have the effect of preventing the Stockholder from performing the Stockholder’s obligations hereunder. Any action taken in violation of the foregoing sentence shall be null and void *ab initio*. Notwithstanding the foregoing, the Stockholder may (A) Transfer the Subject Shares as a *bona fide* charitable contribution, gift or donation; (B) Transfer the Subject Shares to any trust for the direct or indirect benefit of the Stockholder or the immediate family of the Stockholder; (C) Transfer the Subject Shares by will, other testamentary document or intestate succession to the legal representative, heir, beneficiary or a member of the immediate family of the Stockholder; (D) Transfer the Subject Shares to stockholders, direct or indirect affiliates (within the meaning set forth in Rule 405 under the Securities Act), current or former partners (general or limited), members or managers of the Stockholder, as applicable, or to the estates of any such stockholders, affiliates, partners, members or managers, or to another corporation, partnership, limited liability company or other business entity that controls, is controlled by or is under common control with the Stockholder; (E) make Transfers that occur by operation of law pursuant to a qualified domestic relations order or in connection with a divorce settlement; (F) make Transfers not involving a change in beneficial ownership; (G) if the Stockholder is a trust, Transfer Subject Shares to any beneficiary of the Stockholder or the estate of any such beneficiary; (H) exercise an option to purchase Parent Shares or settle an equity award (including a net or cashless exercise of such option); (I) Transfer Parent Shares to the Parent to cover tax withholding obligations of the Stockholder in connection with the vesting, settlement or exercise of any options or other equity awards, as applicable, *provided* that in each case, the underlying Parent Shares shall continue to be subject to the restrictions on transfer set forth in this Agreement; (J) establish a trading plan pursuant to Rule 10b5-1 under the Exchange Act for the transfer of Parent Shares; and (K) Transfer Parent Shares to the Parent pursuant to arrangements under which the Parent has the option to repurchase such Parent Shares; *provided* that, with respect to clauses (A) through (G) above, the transferee agrees in writing to be bound by the terms and conditions of this Agreement and either the Stockholder or the transferee provides Company with a copy of such agreement promptly upon consummation of any such Transfer; *provided, further* that with respect to clauses (A) through (C) and (E) through (G) above, no filing under the Exchange Act or other public announcement shall be required or shall be made voluntarily in connection with such Transfer (other than filings made in respect of involuntary Transfers); *provided* that reasonable notice shall be provided to Company prior to any such filing and that the underlying Parent Shares shall continue to be subject to the restrictions on Transfer set forth in this Agreement. For purposes of this Agreement, “immediate family” shall mean any relationship by blood, marriage or adoption, not more remote than first cousin.

1.3. **Documentation and Information.** The Stockholder shall permit and hereby authorizes the Company and Parent to publish and disclose in all documents and schedules filed with the SEC, and any press release or other disclosure document that the Company or Parent reasonably determines to be necessary in connection with the Merger and any of the Contemplated Transactions, the Stockholder’s identity and ownership of the Subject Shares and the nature of the Stockholder’s commitments and obligations under this Agreement. The Parent is an intended third-party beneficiary of this [Section 1.3](#).

1.4. **Irrevocable Proxy.** The Stockholder hereby revokes (or agrees to cause to be revoked) any proxies that the Stockholder has heretofore granted with respect to the Subject Shares. The Stockholder hereby irrevocably appoints Company as attorney-in-fact and proxy for and on behalf of the Stockholder, for and in the name, place and stead of the Stockholder, to: (a) attend any and all meetings of the Parent Stockholders, (b) vote, express consent or dissent or issue instructions to the record holder to vote the Subject Shares in accordance with the provisions of [Section 1.1](#) at any and all meetings of the Parent Stockholders or in connection with any action

sought to be taken by written consent of the Parent Stockholders without a meeting and (c) grant or withhold, or issue instructions to the record holder to grant or withhold, consistent with the provisions of [Section 1.1](#), all written consents with respect to the Subject Shares at any and all meetings of the Parent Stockholders or in connection with any action sought to be taken by written consent of the Parent Stockholders without a meeting. Company agrees not to exercise the proxy granted herein for any purpose other than the purposes described in this Agreement. The foregoing proxy shall be deemed to be a proxy coupled with an interest, is irrevocable (and as such shall survive and not be affected by the death, incapacity, mental illness or insanity of the Stockholder, as applicable) until the termination of this Agreement and shall not be terminated by operation of law or upon the occurrence of any other event other than the termination of this Agreement pursuant to [Section 4.2](#). The Stockholder authorizes such attorney and proxy to substitute any other Person to act hereunder, to revoke any substitution and to file this proxy and any substitution or revocation with the Secretary of the Parent. The Stockholder hereby affirms that the proxy set forth in this [Section 1.4](#) is given in connection with and granted in consideration of and as an inducement to the Company to enter into the Merger Agreement and that such proxy is given to secure the obligations of the Stockholder under [Section 1.1](#). The proxy set forth in this [Section 1.4](#) is executed and intended to be irrevocable, subject, however, to its automatic termination upon the termination of this Agreement pursuant to [Section 4.2](#). With respect to any Subject Shares that are owned beneficially by the Stockholder but are not held of record by the Stockholder (other than shares beneficially owned by the Stockholder that are held in the name of a bank, broker or nominee), the Stockholder shall take all action necessary to cause the record holder of such Subject Shares to grant the irrevocable proxy and take all other actions provided for in this [Section 1.4](#) with respect to such Subject Shares.

1.5. **No Ownership Interest**. Nothing contained in this Agreement will be deemed to vest in Company any direct or indirect ownership or incidents of ownership of or with respect to the Subject Shares. All rights, ownership and economic benefits of and relating to the Subject Shares will remain and belong to the Stockholder, and Company will have no authority to manage, direct, superintend, restrict, regulate, govern or administer any of the policies or operations of the Parent or exercise any power or authority to direct the Stockholder in the voting of any of the Subject Shares, except as otherwise expressly provided herein with respect to the Subject Shares and except as otherwise expressly provided in the Merger Agreement.

1.6. **Waivers**. In connection with the Contemplated Transactions, the Stockholder hereby expressly agrees that the Stockholder will not bring, commence, institute, maintain, prosecute, participate in or voluntarily aid any action, claim, suit or cause of action, in law or in equity, in any court or before any Governmental Body, which (a) challenges the validity of or seeks to enjoin the operation of any provision of this Agreement or (b) alleges that the execution and delivery of this Agreement by the Stockholder, or the approval of the Merger Agreement by Parent Board, breaches any fiduciary duty of the Parent Board or any member thereof; *provided* that the Stockholder may defend against, contest or settle any such action, claim, suit or cause of action brought against the Stockholder that relates solely to the Stockholder's capacity as a director, officer or securityholder of the Parent.

1.7. **No Solicitation of Transactions**. The Stockholder hereby agrees that, during the Pre- Closing Period, the Stockholder shall not, directly or indirectly: (a) solicit, initiate or knowingly encourage, induce or facilitate the communication, making, submission or announcement of any Acquisition Proposal or Acquisition Inquiry or take any action that could reasonably be expected to lead to an Acquisition Proposal or Acquisition Inquiry; (b) furnish any non-public information regarding the Parent to any Person in connection with or in response to an Acquisition Proposal or Acquisition Inquiry; (c) engage in discussions (other than to inform any Person of the existence of the provisions in this [Section 1.7](#)) or negotiations with any Person with respect to any Acquisition Proposal or Acquisition Inquiry; (d) approve, endorse or recommend any Acquisition Proposal; (e) execute or enter into any letter of intent or any Contract contemplating or otherwise relating to any Acquisition Transaction; or (f) publicly propose to do any of the foregoing; provided, however, that the foregoing restrictions in this [Section 1.7](#) shall only apply to the Stockholder in the Stockholder's capacity as a holder of Parent Shares and not, for the avoidance of doubt, in the Stockholder's capacity as a director or officer (if applicable) of the Parent, whose activities with respect to any Acquisition Proposal or Acquisition Inquiry shall be governed by the Merger

Agreement. The Stockholder hereby represents and warrants that the Stockholder has read Section 4.4 (Parent Non-Solicitation) of the Merger Agreement and agrees not to engage in any actions prohibited thereby.

ARTICLE II REPRESENTATIONS AND WARRANTIES OF THE STOCKHOLDER

The Stockholder represents and warrants to Company that:

2.1. **Organization; Authorization; Binding Agreement.** The Stockholder, if not a natural person, is duly incorporated or organized, as applicable, validly existing and in good standing under the laws of its jurisdiction of incorporation or organization. The Stockholder has full legal capacity and power, right and authority to execute and deliver this Agreement and to perform the Stockholder's obligations hereunder and to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by the Stockholder, and constitutes a legal, valid and binding obligation of the Stockholder enforceable against the Stockholder in accordance with its terms, subject to the Enforceability Exceptions.

2.2. **Ownership of Subject Shares; Total Shares.** The Stockholder is the record or beneficial owner of the Subject Shares and has good and marketable title to the Subject Shares free and clear of any Encumbrances (including any restriction on the right to vote or otherwise transfer the Subject Shares), except (a) as provided hereunder, (b) pursuant to any applicable restrictions on transfer under the Securities Act, (c) subject to any risk of forfeiture or repurchase rights of the Parent with respect to any Parent Shares granted to the Stockholder under an employee benefit plan of Parent and (d) as provided in the certificate of incorporation or bylaws of the Parent. The Subject Shares listed on Schedule A opposite the Stockholder's name constitute all of the Parent Shares owned by the Stockholder as of the date hereof. Except pursuant to the Parent's certificate of incorporation, bylaws and the right of the Parent to purchase or acquire any Parent Shares pursuant to an employee benefit plan of the Parent, no Person has any contractual or other right or obligation to purchase or otherwise acquire any of the Subject Shares. For purposes of this Agreement "**Beneficial Ownership**" shall be interpreted as defined in Rule 13d-3 under the Exchange Act; *provided* that for purposes of determining Beneficial Ownership, a Person shall be deemed to be the Beneficial Owner of any securities that may be acquired by such Person pursuant to any Contract or upon the exercise of conversion rights, exchange rights, warrants or options, or otherwise (irrespective of whether the right to acquire such securities is exercisable immediately or only after the passage of time, including the passage of time in excess of 60 days, the satisfaction of any conditions, the occurrence of any event or any combination of the foregoing).

2.3. **Voting Power.** The Stockholder has full voting power, with respect to the Subject Shares, and full power of disposition, full power to issue instructions with respect to the matters set forth herein and full power to agree to all of the matters set forth in this Agreement, in each case, with respect to all of the Subject Shares. None of the Subject Shares are subject to any proxy, voting trust or other agreement or arrangement with respect to the voting of the Subject Shares, except as provided hereunder.

2.4. **Reliance.** The Stockholder has had the opportunity to review the Merger Agreement, and this Agreement with counsel of the Stockholder's own choosing. The Stockholder has had an opportunity to review with its own tax advisors the tax consequences of the Merger and the transactions contemplated by the Merger Agreement. The Stockholder understands that it must rely solely on its advisors and not on any statements or representations made by Parent, the Company or any of their respective agents or representatives. The Stockholder understands that such Stockholder (and not Parent, the Company or the Surviving Corporation) shall be responsible for such Stockholder's tax liability that may arise as a result of the Merger or the transactions contemplated by the Merger Agreement. The Stockholder understands and acknowledges that the Company, Parent and Merger Sub are entering into the Merger Agreement in reliance upon the Stockholder's execution, delivery and performance of this Agreement.

2.5. **Absence of Litigation.** With respect to the Stockholder, as of the date hereof, there is no action, suit, investigation or proceeding pending against, or, to the knowledge of the Stockholder, threatened against, the

Stockholder or any of the Stockholder's properties or assets (including the Subject Shares) that could reasonably be expected to prevent, delay or impair the ability of the Stockholder to perform the Stockholder's obligations hereunder or to consummate the transactions contemplated hereby.

2.6. **Non-Contravention**. The execution and delivery of this Agreement by the Stockholder and the performance of the transactions contemplated by this Agreement by the Stockholder does not and will not violate, conflict with, or result in a breach of: (a) the organizational documents of such Stockholder, (b) any applicable Law or any injunction, judgment, order, decree, ruling, charge, or other restriction of any Governmental Body to which the Stockholder is subject, or (c) any Contract to which the Stockholder is a party or is bound or to which the Subject Shares are subject, such that it could reasonably be expected to prevent, delay or impair the ability of the Stockholder to perform the Stockholder's obligations hereunder or to consummate the transactions contemplated hereby.

ARTICLE III REPRESENTATIONS AND WARRANTIES OF COMPANY

Company represents and warrants to the Stockholder that:

3.1. **Organization; Authorization**. Company is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Delaware. The consummation of the transactions contemplated hereby is within Company's corporate powers and has been duly authorized by all necessary corporate actions on the part of Company. Company has full power and authority to execute, deliver and perform this Agreement.

3.2. **Binding Agreement**. This Agreement has been duly authorized, executed and delivered by Company and constitutes a valid and binding obligation of Company enforceable against Company in accordance with its terms, subject to the Enforceability Exceptions.

ARTICLE IV MISCELLANEOUS

4.1. **Notices**. All notices, requests and other communications to either party hereunder shall be in writing (including electronic mail) and shall be given, (a) if to Company, in accordance with the provisions of the Merger Agreement and (b) if to the Stockholder, to the Stockholder's address or electronic mail address set forth on a signature page hereto, or to such other address or electronic mail address as the Stockholder may hereafter specify in writing to Company.

4.2. **Termination**. This Agreement shall terminate automatically, without any notice or other action by any Person, upon the earlier of (a) the termination of the Merger Agreement in accordance with its terms, (b) the Effective Time, and (c) the amendment of the Merger Agreement, without the prior written consent of the Stockholder, in a manner that affects the economics or material terms of the Merger Agreement in a manner that is adverse to the Stockholder. Upon termination of this Agreement, neither party shall have any further obligations or liabilities under this Agreement; *provided, however*, that (i) nothing set forth in this [Section 4.2](#) shall relieve either party from liability for any breach of this Agreement prior to termination hereof, and (ii) the provisions of this [Article IV](#) shall survive any termination of this Agreement.

4.3. **Confidentiality**. Except to the extent required by applicable Law, the Stockholder shall hold any non-public information regarding this Agreement, the Merger Agreement and the Merger in strict confidence and shall not divulge any such information to any third person until Company has publicly disclosed its entry into the Merger Agreement and this Agreement; *provided, however*, that the Stockholder may disclose such information (a) to its attorneys, accountants, consultants, trustees, beneficiaries and other representatives

(provided such representatives are subject to confidentiality obligations at least as restrictive as those contained herein), and (b) to any Affiliate, partner, member, stockholder, parent or subsidiary of the Stockholder, provided in each case that the Stockholder informs the Person receiving the information that such information is confidential and such Person agrees in writing to abide by the terms of this [Section 4.3](#). Neither the Stockholder nor any of its Affiliates (other than the Parent, whose actions shall be governed by the Merger Agreement), shall issue or cause the publication of any press release or other public announcement with respect to this Agreement, the Merger, the Merger Agreement or the other transactions contemplated hereby or thereby without the prior written consent of the Company and Parent, except as may be required by applicable Law in which circumstance such announcing party shall make reasonable efforts to consult with the Company and Parent to the extent practicable. The Parent is an intended third-party beneficiary of this [Section 4.3](#).

4.4. Amendments and Waivers. Any provision of this Agreement may be amended or waived if such amendment or waiver is in writing and is signed, in the case of an amendment, by each party to this Agreement, or in the case of a waiver, by the party against whom the waiver is to be effective. No failure or delay by either 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.

4.5. Binding Effect; Benefit; Assignment. The provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. Except as set forth in [Section 1.3](#) and [Section 4.3](#), no provision of this Agreement is intended to confer any rights, benefits, remedies, obligations or liabilities hereunder upon any Person other than the parties hereto and their respective successors and assigns. Neither party may assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without the consent of the other party hereto, except that Company may transfer or assign its rights and obligations under this Agreement, in whole or from time to time in part, to one or more of its Affiliates at any time; provided that such transfer or assignment shall not relieve Company of any of its obligations hereunder; provided however that the Stockholder may transfer the Parent Shares to stockholders, direct or indirect affiliates (within the meaning set forth in Rule 405 under the Securities Act), current or former partners (general or limited), members or managers of the Stockholder, so long as the transferee agrees in writing to be bound by the terms and conditions of this Agreement and either the Stockholder or the transferee provides Company with a copy of such Agreement promptly upon consummation of any such transfer.

4.6. Governing Law; Jurisdiction. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, regardless of the laws that might otherwise govern under applicable principles of conflicts of laws. In any action or proceeding between any of the parties hereto arising out of or relating to this Agreement, each party hereto: (a) irrevocably and unconditionally consents and submits to the exclusive jurisdiction and venue of the Court of Chancery of the State of Delaware or, to the extent such court does not have subject matter jurisdiction, the United States District Court for the District of Delaware or, to the extent that neither of the foregoing courts has jurisdiction, the Superior Court of the State of Delaware (the "Delaware Courts"); (b) agrees that all claims in respect of such action or proceeding shall be heard and determined exclusively in accordance with clause (a) of this [Section 4.6](#); (c) waives any objection to laying venue in any such action or proceeding in such courts; (d) waives any objection that such courts are an inconvenient forum or do not have jurisdiction over any party hereto; (e) agrees that service of process upon such party in any such action or proceeding shall be effective if notice is given in accordance with [Section 4.1](#) of this Agreement; and (f) irrevocably and unconditionally waives the right to trial by jury.

4.7. Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument. The exchange of a fully executed Agreement (in counterparts or otherwise) by all parties by facsimile or electronic transmission in .PDF format shall be sufficient to bind the parties to the terms and conditions of this Agreement.

4.8. **Entire Agreement.** This Agreement constitutes the entire agreement and supersedes all prior agreements and understandings, both written and oral, among or between any of the parties with respect to the subject matter hereof and thereof.

4.9. **Severability.** Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions of this Agreement or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction. If a final judgment of a court of competent jurisdiction declares that any term or provision of this Agreement is invalid or unenforceable, the parties hereto agree that the court making such determination will have the power to limit such term or provision, to delete specific words or phrases or to replace such term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision, and this Agreement shall be valid and enforceable as so modified. In the event such court does not exercise the power granted to it in the prior sentence, the parties hereto agree to replace such invalid or unenforceable term or provision with a valid and enforceable term or provision that will achieve, to the extent possible, the economic, business and other purposes of such invalid or unenforceable term or provision.

4.10. **Specific Performance.** Any and all remedies herein expressly conferred upon a party will be deemed cumulative with and not exclusive of any other remedy conferred hereby, or by law or equity upon such party, and the exercise by a party of any one remedy will not preclude the exercise of any other remedy. The parties hereto 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 hereof in any Delaware Court, this being in addition to any other remedy to which they are entitled at law or in equity, and each of the parties hereto waives any bond, surety or other security that might be required of any other party with respect thereto.

4.11. **Construction.**

(a) For purposes of this Agreement, whenever the context requires: the singular number shall include the plural, and vice versa; the masculine gender shall include the feminine and neuter genders; the feminine gender shall include the masculine and neuter genders; and the neuter gender shall include masculine and feminine genders.

(b) The parties hereto agree that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be applied in the construction or interpretation of this Agreement.

(c) As used in this Agreement, the words "include" and "including," and variations thereof, shall not be deemed to be terms of limitation, but rather shall be deemed to be followed by the words "without limitation."

(d) Except as otherwise indicated, all references in this Agreement to "Sections," "Articles," and "Schedules" are intended to refer to Sections or Articles of this Agreement and Schedules to this Agreement, respectively.

(e) The bold-faced headings contained in this Agreement are for convenience of reference only, shall not be deemed to be a part of this Agreement and shall not be referred to in connection with the construction or interpretation of this Agreement.

4.12. **Further Assurances.** Each of the parties hereto will execute and deliver, or cause to be executed and delivered, all further documents and instruments and use their respective reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary under applicable Law to perform their respective obligations as expressly set forth under this Agreement.

4.13. **No Legal Actions.** Each Stockholder will not in its capacity as a Stockholder of Parent bring, commence, institute, maintain, prosecute or voluntarily aid any Legal Proceeding which (i) challenges the validity or seeks to enjoin the operation of any provision of this Agreement or (ii) alleges that the execution and delivery of this Agreement by such Stockholder, either alone or together with the other voting agreements and proxies to be delivered in connection with the execution of the Merger Agreement, or the approval of the Merger Agreement and the Contemplated Transactions by the Parent Board, constitutes a breach of any fiduciary duty of the Parent Board or any member thereof.

4.14. **Voluntary Execution of Agreement.** This Agreement is executed voluntarily and without any duress or undue influence on the part or behalf of the parties. Each of the parties hereby acknowledges, represents and warrants that (i) it has read and fully understood the Merger Agreement, this Agreement and the implications and consequences thereof; (ii) it has been represented in the preparation, negotiation, and execution of this Agreement by legal counsel of its own choice, or it has made a voluntary and informed decision to decline to seek such counsel; and (iii) it is fully aware of the legal and binding effect of this Agreement. The Stockholder has had an opportunity to review with its own tax advisors the tax consequences of the Contemplated Transactions. The Stockholder understands that it must rely solely on its advisors and not on any statements or representations made by Parent, the Company or any of their respective agents or representatives. The Stockholder understands that such Stockholder (and not Parent, or the Company) shall be responsible for such Stockholder's tax liability that may arise as a result of the Contemplated Transactions. The Stockholder understands and acknowledges that Parent, the Company and Merger Sub are entering into the Merger Agreement in reliance upon the Stockholder's execution, delivery and performance of this Agreement.

4.15. **Fees and Expenses.** Except as otherwise specifically provided herein, the Merger Agreement or any other agreement contemplated by the Merger Agreement to which a party hereto is a party, each party hereto shall bear its own expenses in connection with this Agreement and the transactions contemplated hereby.

4.16. **Capacity as Stockholder.** The Stockholder signs this Agreement solely in the Stockholder's capacity as a holder of Parent Shares, and not in the Stockholder's capacity as a director, officer or employee of the Parent or in the Stockholder's capacity as a trustee or fiduciary of any employee benefit plan or trust. Notwithstanding anything herein to the contrary, nothing herein shall in any way restrict a director or officer of the Parent in the exercise of his or her fiduciary duties as a director or officer of the Parent or in his or her capacity as a trustee or fiduciary of any employee benefit plan or trust or prevent or be construed to create any obligation on the part of any director or officer of the Parent or any trustee or fiduciary of any employee benefit plan or trust from taking any action in his or her capacity as such director, officer, trustee or fiduciary.

4.17. **No Agreement Until Executed.** Irrespective of negotiations among the parties or the exchanging of drafts of this Agreement, this Agreement shall not constitute or be deemed to evidence a contract, agreement, arrangement or understanding between the parties hereto unless and until (a) the Parent Board has approved, for purposes of any applicable anti-takeover laws and regulations, and any applicable provision of the Parent's organizational documents, the Merger, (b) the Merger Agreement is executed by all parties thereto, and (c) this Agreement is executed by all parties hereto.

(SIGNATURE PAGE FOLLOWS)

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first written above.

CANDID THERAPEUTICS, INC.

By: _____
Name:
Title:

[Signature Page to Support Agreement]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first written above.

STOCKHOLDER

(Print Name of Stockholder)

(Signature)

(Name and Title of Signatory, if Signing on Behalf of an Entity)

Address for Notices:

Email: _____

[Signature Page to Parent Support Agreement]

Schedule A

<u>Name of Stockholder</u>	<u>No. Shares</u>
[*]	[*]

SUPPORT AGREEMENT

This **SUPPORT AGREEMENT (THIS “AGREEMENT”)** is made as of March 1, 2026, by and between **RALLYBIO CORPORATION**, a Delaware corporation (“**Parent**”), and the [Person] set forth on Schedule A hereto (the “**Stockholder**”).

WHEREAS, as of the date hereof, the Stockholder is the holder of the number of shares of common stock, par value \$0.0001 per share (“**Common Stock**”) and preferred stock, par value \$0.0001 per share (“**Preferred Stock**” and collectively with the Common Stock, the “**Company Shares**”), of **CANDID THERAPEUTICS, INC.**, a Delaware corporation (the “**Company**”), set forth opposite the Stockholder’s name on Schedule A (all Company Shares owned by the Stockholder, or hereafter issued to or otherwise acquired, whether beneficially or of record, or owned by the Stockholder prior to the termination of this Agreement, as well as shares set forth on Schedule A, being referred to herein as the “**Subject Shares**”);

WHEREAS, the Company, Parent and Farmington Merger Sub, Inc., a Delaware corporation and wholly owned subsidiary of Parent (“**Merger Sub**”), propose to enter into an Agreement and Plan of Merger and Reorganization, dated as of the date hereof (the “**Merger Agreement**”), which provides, among other things, for the merger of Merger Sub with and into the Company, with the Company continuing as the surviving company (the “**Merger**”), upon the terms and subject to the conditions set forth in the Merger Agreement (capitalized terms used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Merger Agreement); and

WHEREAS, as a condition to its willingness to enter into the Merger Agreement, Parent has required that the Stockholder, and as an inducement and in consideration therefor, the Stockholder (in the Stockholder’s capacity as a holder of the Subject Shares) has agreed to, enter into this Agreement.

NOW, THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants and agreements set forth below and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, do hereby agree as follows:

ARTICLE I VOTING AGREEMENT; GRANT OF PROXY

The Stockholder hereby covenants and agrees that:

1.1. **Voting of Subject Shares.** From and after the date hereof, at every meeting of the holders of Company Shares (the “**Company Stockholders**”), however called, and at every adjournment or postponement thereof (or pursuant to a written consent if the Company Stockholders act by written consent in lieu of a meeting), the Stockholder shall, or shall cause the holder of record on any applicable record date to, be present (in person or by proxy) and to vote or cause to be voted the Subject Shares (a) in favor of adopting the Merger Agreement and approving the Merger, the other Contemplated Transactions, the Company Stockholder Matters, and the other actions contemplated by the Merger Agreement, (b) against approval of any proposal made in opposition to, or in competition with, the Merger Agreement or the consummation of the Merger, and (c) against any Acquisition Proposal. Except as permitted under clauses (A) through (K) of Section 1.2 below, the Stockholder shall retain at all times the right to vote the Subject Shares in the Stockholder’s sole discretion and without any other limitation on those matters other than those set forth in this Section 1.1 that are at any time or from time to time presented for consideration to the Company Stockholders.

1.2. **No Inconsistent Arrangements.** Except as provided hereunder or under the Merger Agreement, prior to the Effective Time, the Stockholder shall not, directly or indirectly, (a) create any Encumbrance other than

restrictions imposed by Law or pursuant to this Agreement on any Subject Shares; (b) transfer, sell, assign, gift or otherwise dispose of (collectively, “**Transfer**”), or enter into any contract with respect to any Transfer of, the Subject Shares or any interest therein; (c) grant or permit the grant of any proxy, power of attorney or other authorization in or with respect to the Subject Shares; (d) deposit or permit the deposit of the Subject Shares into a voting trust or enter into a voting agreement or arrangement with respect to the Subject Shares; or (e) take any action that, to the knowledge of the Stockholder, would make any representation or warranty of the Stockholder herein untrue or incorrect in any material respect or have the effect of preventing the Stockholder from performing the Stockholder’s obligations hereunder. Any action taken in violation of the foregoing sentence shall be null and void *ab initio*. Notwithstanding the foregoing, the Stockholder may (A) Transfer the Subject Shares as a *bona fide* charitable contribution, gift or donation; (B) Transfer the Subject Shares to any trust for the direct or indirect benefit of the Stockholder or the immediate family of the Stockholder; (C) Transfer the Subject Shares by will, other testamentary document or intestate succession to the legal representative, heir, beneficiary or a member of the immediate family of the Stockholder; (D) Transfer the Subject Shares to stockholders, direct or indirect affiliates (within the meaning set forth in Rule 405 under the Securities Act), current or former partners (general or limited), members or managers of the Stockholder, as applicable, or to the estates of any such stockholders, affiliates, partners, members or managers, or to another corporation, partnership, limited liability company or other business entity that controls, is controlled by or is under common control with the Stockholder; (E) make Transfers that occur by operation of law pursuant to a qualified domestic relations order or in connection with a divorce settlement; (F) make Transfers not involving a change in beneficial ownership; (G) if the Stockholder is a trust, Transfer Subject Shares to any beneficiary of the Stockholder or the estate of any such beneficiary; (H) exercise an option to purchase Company Shares or settle an equity award (including a net or cashless exercise of such option); (I) Transfer Company Shares to the Company to cover tax withholding obligations of the Stockholder in connection with the vesting, settlement or exercise of any options, or other equity awards, as applicable, *provided* that in each case, the underlying Company Shares shall continue to be subject to the restrictions on transfer set forth in this Agreement; (J) establish a trading plan pursuant to Rule 10b5-1 under the Exchange Act for the transfer of Company Shares; and (K) Transfer Company Shares to the Company pursuant to arrangements under which the Company has the option to repurchase such Company Shares; *provided* that, with respect to clauses (A) through (G) above, the transferee agrees in writing to be bound by the terms and conditions of this Agreement and either the Stockholder or the transferee provides Parent with a copy of such agreement promptly upon consummation of any such Transfer; *provided, further* that with respect to clauses (A) through (C) and (E) through (G) above, no filing under the Exchange Act or other public announcement shall be required or shall be made voluntarily in connection with such Transfer (other than filings made in respect of involuntary Transfers); *provided* that reasonable notice shall be provided to Parent prior to any such filing and that the underlying Company Shares shall continue to be subject to the restrictions on Transfer set forth in this Agreement. For purposes of this Agreement, “immediate family” shall mean any relationship by blood, marriage or adoption, not more remote than first cousin.

1.3. **Documentation and Information.** The Stockholder shall permit and hereby authorizes the Company and Parent to publish and disclose in all documents and schedules filed with the SEC, and any press release or other disclosure document that the Company or Parent reasonably determines to be necessary in connection with the Merger and any of the Contemplated Transactions, the Stockholder’s identity and ownership of the Subject Shares and the nature of the Stockholder’s commitments and obligations under this Agreement. The Company is an intended third-party beneficiary of this [Section 1.3](#).

1.4. **Irrevocable Proxy.** The Stockholder hereby revokes (or agrees to cause to be revoked) any proxies that the Stockholder has heretofore granted with respect to the Subject Shares. The Stockholder hereby irrevocably appoints Parent as attorney-in-fact and proxy for and on behalf of the Stockholder, for and in the name, place and stead of the Stockholder, to: (a) attend any and all meetings of the Company Stockholders, (b) vote, express consent or dissent or issue instructions to the record holder to vote the Subject Shares in accordance with the provisions of [Section 1.1](#) at any and all meetings of the Company Stockholders or in connection with any action sought to be taken by written consent of the Company Stockholders without a meeting and (c) grant or withhold, or issue instructions to the record holder to grant or withhold, consistent with the provisions of [Section 1.1](#), all

written consents with respect to the Subject Shares at any and all meetings of the Company Stockholders or in connection with any action sought to be taken by written consent of the Company Stockholders without a meeting. Parent agrees not to exercise the proxy granted herein for any purpose other than the purposes described in this Agreement. The foregoing proxy shall be deemed to be a proxy coupled with an interest, is irrevocable (and as such shall survive and not be affected by the death, incapacity, mental illness or insanity of the Stockholder, as applicable) until the termination of this Agreement and shall not be terminated by operation of law or upon the occurrence of any other event other than the termination of this Agreement pursuant to [Section 4.2](#). The Stockholder authorizes such attorney and proxy to substitute any other Person to act hereunder, to revoke any substitution and to file this proxy and any substitution or revocation with the Secretary of the Company. The Stockholder hereby affirms that the proxy set forth in this [Section 1.4](#) is given in connection with and granted in consideration of and as an inducement to Parent, the Company to enter into the Merger Agreement and that such proxy is given to secure the obligations of the Stockholder under [Section 1.1](#). The proxy set forth in this [Section 1.4](#) is executed and intended to be irrevocable, subject, however, to its automatic termination upon the termination of this Agreement pursuant to [Section 4.2](#). With respect to any Subject Shares that are owned beneficially by the Stockholder but are not held of record by the Stockholder (other than shares beneficially owned by the Stockholder that are held in the name of a bank, broker or nominee), the Stockholder shall take all action necessary to cause the record holder of such Subject Shares to grant the irrevocable proxy and take all other actions provided for in this [Section 1.4](#) with respect to such Subject Shares.

1.5. **No Ownership Interest.** Nothing contained in this Agreement will be deemed to vest in Parent any direct or indirect ownership or incidents of ownership of or with respect to the Subject Shares. All rights, ownership and economic benefits of and relating to the Subject Shares will remain and belong to the Stockholder, and Parent will have no authority to manage, direct, superintend, restrict, regulate, govern or administer any of the policies or operations of the Company or exercise any power or authority to direct the Stockholder in the voting of any of the Subject Shares, except as otherwise expressly provided herein with respect to the Subject Shares and except as otherwise expressly provided in the Merger Agreement.

1.6. **No Exercise of Appraisal Rights; Waivers.** In connection with the Contemplated Transactions, the Stockholder hereby expressly (a) waives, to the extent permitted under applicable Law, any and all rights under Section 262 of the Delaware General Corporation Law, a copy of which is attached hereto as Appendix I, with respect to any Subject Shares and any and all rights under any other applicable Law granting the Stockholder the right to have any Subject Shares appraised in connection with the Contemplated Transactions or to otherwise dissent from the Contemplated Transactions, (b) agrees that the Stockholder will not, under any circumstances in connection with the Contemplated Transactions, exercise any dissenters' or appraisal rights in respect of any Subject Shares, and (c) agrees that the Stockholder will not bring, commence, institute, maintain, prosecute, participate in or voluntarily aid any action, claim, suit or cause of action, in law or in equity, in any court or before any Governmental Body, which (i) challenges the validity of or seeks to enjoin the operation of any provision of this Agreement or (ii) alleges that the execution and delivery of this Agreement by the Stockholder, or the approval of the Merger Agreement by Company Board, breaches any fiduciary duty of the Company Board or any member thereof; *provided* that the Stockholder may defend against, contest or settle any such action, claim, suit or cause of action brought against the Stockholder that relates solely to the Stockholder's capacity as a director, officer or securityholder of the Company.

1.7. **No Solicitation of Transactions.** The Stockholder hereby agrees that, during the Pre Closing Period, the Stockholder shall not, directly or indirectly: (a) solicit, initiate or knowingly encourage, induce or facilitate the communication, making, submission or announcement of any Acquisition Proposal or Acquisition Inquiry or take any action that could reasonably be expected to lead to an Acquisition Proposal or Acquisition Inquiry; (b) furnish any non-public information regarding the Company to any Person in connection with or in response to an Acquisition Proposal or Acquisition Inquiry; (c) engage in discussions (other than to inform any Person of the existence of the provisions in this [Section 1.7](#)) or negotiations with any Person with respect to any Acquisition Proposal or Acquisition Inquiry; (d) approve, endorse or recommend any Acquisition Proposal; (e) execute or enter into any letter of intent or any Contract contemplating or otherwise relating to any Acquisition Transaction;

or (f) publicly propose to do any of the foregoing; provided, however, that the foregoing restrictions in this [Section 1.7](#) shall only apply to the Stockholder in the Stockholder's capacity as a holder of Company Shares and not, for the avoidance of doubt, in the Stockholder's capacity as a director or officer (if applicable) of the Company, whose activities with respect to any Acquisition Proposal or Acquisition Inquiry shall be governed by the Merger Agreement. The Stockholder hereby represents and warrants that the Stockholder has read Section 4.5 (Company Non-Solicitation) of the Merger Agreement and agrees not to engage in any actions prohibited thereby.

ARTICLE II REPRESENTATIONS AND WARRANTIES OF THE STOCKHOLDER

The Stockholder represents and warrants to Parent that:

2.1. **Organization; Authorization; Binding Agreement**. The Stockholder, if not a natural person, is duly incorporated or organized, as applicable, validly existing and in good standing under the laws of its jurisdiction of incorporation or organization. The Stockholder has full legal capacity and power, right and authority to execute and deliver this Agreement and to perform the Stockholder's obligations hereunder and to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by the Stockholder, and constitutes a legal, valid and binding obligation of the Stockholder enforceable against the Stockholder in accordance with its terms, subject to the Enforceability Exceptions.

2.2. **Ownership of Subject Shares; Total Shares**. The Stockholder is the record or beneficial owner of the Subject Shares and has good and marketable title to the Subject Shares free and clear of any Encumbrances (including any restriction on the right to vote or otherwise transfer the Subject Shares), except (a) as provided hereunder, (b) pursuant to any applicable restrictions on transfer under the Securities Act, (c) subject to any risk of forfeiture or repurchase rights of the Company with respect to any Company Shares granted to the Stockholder under an employee benefit plan of Company and (d) as provided in the certificate of incorporation or bylaws of the Company or that certain Investors' Rights Agreement, dated as of August 19, 2024, by and among the Company and certain stockholders of the Company, that certain Right of First Refusal and Co-Sale Agreement, dated August 19, 2024, by and among the Company and certain stockholders of the Company, and that certain Voting Agreement, dated as of August 19, 2024, by and among the Company and certain stockholders of the Company (the "**Voting Agreement**"). The Subject Shares listed on [Schedule A](#) opposite the Stockholder's name constitute all of the Company Shares owned by the Stockholder as of the date hereof. Except pursuant to the Company's certificate of incorporation, bylaws and the right of the Company to purchase or acquire any Company Shares pursuant to an employee benefit plan of the Company, no Person has any contractual or other right or obligation to purchase or otherwise acquire any of the Subject Shares. For purposes of this Agreement "**Beneficial Ownership**" shall be interpreted as defined in Rule 13d-3 under the Exchange Act; *provided* that for purposes of determining Beneficial Ownership, a Person shall be deemed to be the Beneficial Owner of any securities that may be acquired by such Person pursuant to any Contract or upon the exercise of conversion rights, exchange rights, warrants or options, or otherwise (irrespective of whether the right to acquire such securities is exercisable immediately or only after the passage of time, including the passage of time in excess of 60 days, the satisfaction of any conditions, the occurrence of any event or any combination of the foregoing).

2.3. **Voting Power**. The Stockholder has full voting power, with respect to the Subject Shares, and full power of disposition, full power to issue instructions with respect to the matters set forth herein and full power to agree to all of the matters set forth in this Agreement, in each case, with respect to all of the Subject Shares. None of the Subject Shares are subject to any proxy, voting trust or other agreement or arrangement with respect to the voting of the Subject Shares, except as provided in the Voting Agreement and as provided hereunder.

2.4. **Reliance**. The Stockholder has had the opportunity to review the Merger Agreement, including the provisions relating to the payment and allocation of the consideration to be paid to the Company Stockholders,

and this Agreement with counsel of the Stockholder's own choosing. The Stockholder has had an opportunity to review with its own tax advisors the tax consequences of the Merger and the transactions contemplated by the Merger Agreement. The Stockholder understands that it must rely solely on its advisors and not on any statements or representations made by Parent, the Company or any of their respective agents or representatives. The Stockholder understands that such Stockholder (and not Parent, the Company or the Surviving Corporation) shall be responsible for such Stockholder's tax liability that may arise as a result of the Merger or the transactions contemplated by the Merger Agreement. The Stockholder understands and acknowledges that the Company, Parent and Merger Sub are entering into the Merger Agreement in reliance upon the Stockholder's execution, delivery and performance of this Agreement.

2.5. **Absence of Litigation.** With respect to the Stockholder, as of the date hereof, there is no action, suit, investigation or proceeding pending against, or, to the knowledge of the Stockholder, threatened against, the Stockholder or any of the Stockholder's properties or assets (including the Subject Shares) that could reasonably be expected to prevent, delay or impair the ability of the Stockholder to perform the Stockholder's obligations hereunder or to consummate the transactions contemplated hereby.

2.6. **Non-Contravention.** The execution and delivery of this Agreement by the Stockholder and the performance of the transactions contemplated by this Agreement by the Stockholder does not and will not violate, conflict with, or result in a breach of: (a) the organizational documents of such Stockholder, (b) any applicable Law or any injunction, judgment, order, decree, ruling, charge, or other restriction of any Governmental Body to which the Stockholder is subject, or (c) any Contract to which the Stockholder is a party or is bound or to which the Subject Shares are subject, such that it could reasonably be expected to prevent, delay or impair the ability of the Stockholder to perform the Stockholder's obligations hereunder or to consummate the transactions contemplated hereby.

ARTICLE III REPRESENTATIONS AND WARRANTIES OF PARENT

Parent represents and warrants to the Stockholder that:

3.1. **Organization; Authorization.** Parent is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Delaware. The consummation of the transactions contemplated hereby is within Parent's corporate powers and has been duly authorized by all necessary corporate actions on the part of Parent. Parent has full power and authority to execute, deliver and perform this Agreement.

3.2. **Binding Agreement.** This Agreement has been duly authorized, executed and delivered by Parent and constitutes a valid and binding obligation of Parent enforceable against Parent in accordance with its terms, subject to the Enforceability Exceptions.

ARTICLE IV MISCELLANEOUS

4.1. **Notices.** All notices, requests and other communications to either party hereunder shall be in writing (including electronic mail) and shall be given, (a) if to Parent, in accordance with the provisions of the Merger Agreement and (b) if to the Stockholder, to the Stockholder's address or electronic mail address set forth on a signature page hereto, or to such other address or electronic mail address as the Stockholder may hereafter specify in writing to Parent.

4.2. **Termination.** This Agreement shall terminate automatically, without any notice or other action by any Person, upon the earlier of (a) the termination of the Merger Agreement in accordance with its terms, (b) the

Effective Time, and (c) the amendment of the Merger Agreement, without the prior written consent of the Stockholder, in a manner that affects the economics or material terms of the Merger Agreement in a manner that is adverse to the Stockholder. Upon termination of this Agreement, neither party shall have any further obligations or liabilities under this Agreement; provided, however, that (i) nothing set forth in this [Section 4.2](#) shall relieve either party from liability for any breach of this Agreement prior to termination hereof, and (ii) the provisions of this [Article IV](#) shall survive any termination of this Agreement.

4.3. **Confidentiality.** Except to the extent required by applicable Law, the Stockholder shall hold any non-public information regarding this Agreement, the Merger Agreement and the Merger in strict confidence and shall not divulge any such information to any third person until Parent has publicly disclosed its entry into the Merger Agreement and this Agreement; provided, however, that the Stockholder may disclose such information (a) to its attorneys, accountants, consultants, trustees, beneficiaries and other representatives (provided such representatives are subject to confidentiality obligations at least as restrictive as those contained herein), and (b) to any Affiliate, partner, member, stockholder, parent or subsidiary of the Stockholder, provided in each case that the Stockholder informs the Person receiving the information that such information is confidential and such Person agrees in writing to abide by the terms of this [Section 4.3](#). Neither the Stockholder nor any of its Affiliates (other than the Company, whose actions shall be governed by the Merger Agreement), shall issue or cause the publication of any press release or other public announcement with respect to this Agreement, the Merger, the Merger Agreement or the other transactions contemplated hereby or thereby without the prior written consent of the Company and Parent, except as may be required by applicable Law in which circumstance such announcing party shall make reasonable efforts to consult with the Company and Parent to the extent practicable. The Company is an intended third-party beneficiary of this [Section 4.3](#).

4.4. **Amendments and Waivers.** Any provision of this Agreement may be amended or waived if such amendment or waiver is in writing and is signed, in the case of an amendment, by each party to this Agreement, or in the case of a waiver, by the party against whom the waiver is to be effective. No failure or delay by either 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.

4.5. **Binding Effect; Benefit; Assignment.** The provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. Except as set forth in [Section 1.3](#) and [Section 4.3](#), no provision of this Agreement is intended to confer any rights, benefits, remedies, obligations or liabilities hereunder upon any Person other than the parties hereto and their respective successors and assigns. Neither party may assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without the consent of the other party hereto, except that Parent may transfer or assign its rights and obligations under this Agreement, in whole or from time to time in part, to one or more of its Affiliates at any time; provided that such transfer or assignment shall not relieve Parent of any of its obligations hereunder; provided, however, that the Stockholder may transfer the Company Shares to stockholders, direct or indirect affiliates (within the meaning set forth in Rule 405 under the Securities Act), current or former partners (general or limited), members or managers of the Stockholder, so long as the transferee agrees in writing to be bound by the terms and conditions of this Agreement and either the Stockholder or the transferee provides Parent with a copy of such Agreement promptly upon consummation of any such transfer.

4.6. **Governing Law; Jurisdiction.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, regardless of the laws that might otherwise govern under applicable principles of conflicts of laws. In any action or proceeding between any of the parties hereto arising out of or relating to this Agreement, each party hereto: (a) irrevocably and unconditionally consents and submits to the exclusive jurisdiction and venue of the Court of Chancery of the State of Delaware or, to the extent such court does not have subject matter jurisdiction, the United States District Court for the District of Delaware or, to the extent that neither of the foregoing courts has jurisdiction, the Superior Court of the State of Delaware (the "**Delaware Courts**"); (b) agrees that all claims in respect of such action or proceeding shall be heard and

determined exclusively in accordance with clause (a) of this [Section 4.6](#); (c) waives any objection to laying venue in any such action or proceeding in such courts; (d) waives any objection that such courts are an inconvenient forum or do not have jurisdiction over any party hereto; (e) agrees that service of process upon such party in any such action or proceeding shall be effective if notice is given in accordance with [Section 4.1](#) of this Agreement; and (f) irrevocably and unconditionally waives the right to trial by jury.

4.7. **Counterparts**. This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument. The exchange of a fully executed Agreement (in counterparts or otherwise) by all parties by facsimile or electronic transmission in .PDF format shall be sufficient to bind the parties to the terms and conditions of this Agreement.

4.8. **Entire Agreement**. This Agreement constitutes the entire agreement and supersedes all prior agreements and understandings, both written and oral, among or between any of the parties with respect to the subject matter hereof and thereof.

4.9. **Severability**. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions of this Agreement or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction. If a final judgment of a court of competent jurisdiction declares that any term or provision of this Agreement is invalid or unenforceable, the parties hereto agree that the court making such determination will have the power to limit such term or provision, to delete specific words or phrases or to replace such term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision, and this Agreement shall be valid and enforceable as so modified. In the event such court does not exercise the power granted to it in the prior sentence, the parties hereto agree to replace such invalid or unenforceable term or provision with a valid and enforceable term or provision that will achieve, to the extent possible, the economic, business and other purposes of such invalid or unenforceable term or provision.

4.10. **Specific Performance**. Any and all remedies herein expressly conferred upon a party will be deemed cumulative with and not exclusive of any other remedy conferred hereby, or by law or equity upon such party, and the exercise by a party of any one remedy will not preclude the exercise of any other remedy. The parties hereto 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 hereof in any Delaware Court, this being in addition to any other remedy to which they are entitled at law or in equity, and each of the parties hereto waives any bond, surety or other security that might be required of any other party with respect thereto.

4.11. **Construction**.

(a) For purposes of this Agreement, whenever the context requires: the singular number shall include the plural, and vice versa; the masculine gender shall include the feminine and neuter genders; the feminine gender shall include the masculine and neuter genders; and the neuter gender shall include masculine and feminine genders.

(b) The parties hereto agree that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be applied in the construction or interpretation of this Agreement.

(c) As used in this Agreement, the words "include" and "including," and variations thereof, shall not be deemed to be terms of limitation, but rather shall be deemed to be followed by the words "without limitation."

(d) Except as otherwise indicated, all references in this Agreement to "Sections," "Articles," and "Schedules" are intended to refer to Sections or Articles of this Agreement and Schedules to this Agreement, respectively.

(e) The bold-faced headings contained in this Agreement are for convenience of reference only, shall not be deemed to be a part of this Agreement and shall not be referred to in connection with the construction or interpretation of this Agreement.

4.12. **Further Assurances.** Each of the parties hereto will execute and deliver, or cause to be executed and delivered, all further documents and instruments and use their respective reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary under applicable Law to perform their respective obligations as expressly set forth under this Agreement.

4.13. **No Legal Actions.** Each Stockholder will not in its capacity as a Stockholder of the Company bring, commence, institute, maintain, prosecute or voluntarily aid any Legal Proceeding which (i) challenges the validity or seeks to enjoin the operation of any provision of this Agreement or (ii) alleges that the execution and delivery of this Agreement by such Stockholder, either alone or together with the other voting agreements and proxies to be delivered in connection with the execution of the Merger Agreement, or the approval of the Merger Agreement and the Contemplated Transactions by the Company Board, constitutes a breach of any fiduciary duty of the Company Board or any member thereof.

4.14. **Voluntary Execution of Agreement.** This Agreement is executed voluntarily and without any duress or undue influence on the part or behalf of the parties. Each of the parties hereby acknowledges, represents and warrants that (i) it has read and fully understood the Merger Agreement, including the provisions relating to the payment and allocation of the consideration to be paid to Stockholders of the Company as well as holders of Company Options, this Agreement and the implications and consequences thereof; (ii) it has been represented in the preparation, negotiation, and execution of this Agreement by legal counsel of its own choice, or it has made a voluntary and informed decision to decline to seek such counsel; and (iii) it is fully aware of the legal and binding effect of this Agreement. The Stockholder has had an opportunity to review with its own tax advisors the tax consequences of the Contemplated Transactions. The Stockholder understands that it must rely solely on its advisors and not on any statements or representations made by Parent, the Company or any of their respective agents or representatives. The Stockholder understands that such Stockholder (and not Parent, or the Company) shall be responsible for such Stockholder's tax liability that may arise as a result of the Contemplated Transactions. The Stockholder understands and acknowledges that Parent, the Company and Merger Sub are entering into the Merger Agreement in reliance upon the Stockholder's execution, delivery and performance of this Agreement.

4.15. **Fees and Expenses.** Except as otherwise specifically provided herein, the Merger Agreement or any other agreement contemplated by the Merger Agreement to which a party hereto is a party, each party hereto shall bear its own expenses in connection with this Agreement and the transactions contemplated hereby.

4.16. **Capacity as Stockholder.** The Stockholder signs this Agreement solely in the Stockholder's capacity as a holder of Company Shares, and not in the Stockholder's capacity as a director, officer or employee of the Company or in the Stockholder's capacity as a trustee or fiduciary of any employee benefit plan or trust. Notwithstanding anything herein to the contrary, nothing herein shall in any way restrict a director or officer of the Company in the exercise of his or her fiduciary duties as a director or officer of the Company or in his or her capacity as a trustee or fiduciary of any employee benefit plan or trust or prevent or be construed to create any obligation on the part of any director or officer of the Company or any trustee or fiduciary of any employee benefit plan or trust from taking any action in his or her capacity as such director, officer, trustee or fiduciary.

4.17. **No Agreement Until Executed.** Irrespective of negotiations among the parties or the exchanging of drafts of this Agreement, this Agreement shall not constitute or be deemed to evidence a contract, agreement, arrangement or understanding between the parties hereto unless and until (a) the Company Board has approved, for purposes of any applicable anti-takeover laws and regulations, and any applicable provision of the Company's organizational documents, the Merger, (b) the Merger Agreement is executed by all parties thereto, and (c) this Agreement is executed by all parties hereto.

(SIGNATURE PAGE FOLLOWS)

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first written above.

RALLYBIO CORPORATION

By: _____
Name:
Title:

[Signature Page to Support Agreement]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first written above.

STOCKHOLDER

(Print Name of Stockholder)

(Signature)

(Name and Title of Signatory, if Signing on Behalf of an Entity)

Address for Notices:

Email: _____

[Signature Page to Company Support Agreement]

Schedule A

<u>Name of Stockholder</u>	<u>No. Shares</u>
[*]	[*]

Appendix I

§ 262. Appraisal rights [For application of this section, see § 17; 82 Del. Laws, c. 45, § 23; 82 Del. Laws, c. 256, § 24; and 83 Del. Laws, c. 377, § 22].

(a) Any stockholder of a corporation of this State who holds shares of stock on the date of the making of a demand pursuant to subsection (d) of this section with respect to such shares, who continuously holds such shares through the effective date of the merger, consolidation, or conversion, who has otherwise complied with subsection (d) of this section and who has neither voted in favor of the merger, consolidation or conversion nor consented thereto in writing pursuant to § 228 of this title shall be entitled to an appraisal by the Court of Chancery of the fair value of the stockholder's shares of stock under the circumstances described in subsections (b) and (c) of this section. As used in this section, the word "stockholder" means a holder of record of stock in a corporation; the words "stock" and "share" mean and include what is ordinarily meant by those words; the words "depository receipt" mean a receipt or other instrument issued by a depository representing an interest in 1 or more shares, or fractions thereof, solely of stock of a corporation, which stock is deposited with the depository; the words "beneficial owner" mean a person who is the beneficial owner of shares of stock held either in voting trust or by a nominee on behalf of such person; and the word "person" means any individual, corporation, partnership, unincorporated association or other entity.

(b) Appraisal rights shall be available for the shares of any class or series of stock of a constituent or converting corporation in a merger, consolidation or conversion to be effected pursuant to § 251 (other than a merger effected pursuant to § 251(g) of this title), § 252, § 254, § 255, § 256, § 257, § 258, § 263, § 264 or § 266 of this title (other than, in each case and solely with respect to a domesticated corporation, a merger, consolidation or conversion authorized pursuant to and in accordance with the provisions of § 388 of this title):

(1) Provided, however, that no appraisal rights under this section shall be available for the shares of any class or series of stock, which stock, or depository receipts in respect thereof, at the record date fixed to determine the stockholders entitled to receive notice of the meeting of stockholders, or at the record date fixed to determine the stockholders entitled to consent pursuant to § 228 of this title, to act upon the agreement of merger or consolidation or the resolution providing for conversion (or, in the case of a merger pursuant to § 251(h) of this title, as of immediately prior to the execution of the agreement of merger), were either: (i) listed on a national securities exchange or (ii) held of record by more than 2,000 holders; and further provided that no appraisal rights shall be available for any shares of stock of the constituent corporation surviving a merger if the merger did not require for its approval the vote of the stockholders of the surviving corporation as provided in § 251(f) of this title.

(2) Notwithstanding paragraph (b)(1) of this section, appraisal rights under this section shall be available for the shares of any class or series of stock of a constituent or converting corporation if the holders thereof are required by the terms of an agreement of merger or consolidation, or by the terms of a resolution providing for conversion, pursuant to § 251, § 252, § 254, § 255, § 256, § 257, § 258, § 263, § 264 or § 266 of this title to accept for such stock anything except:

- a. Shares of stock of the corporation surviving or resulting from such merger or consolidation, or of the converted entity if such entity is a corporation as a result of the conversion, or depository receipts in respect thereof;
- b. Shares of stock of any other corporation, or depository receipts in respect thereof, which shares of stock (or depository receipts in respect thereof) or depository receipts at the effective date of the merger, consolidation or conversion will be either listed on a national securities exchange or held of record by more than 2,000 holders;
- c. Cash in lieu of fractional shares or fractional depository receipts described in the foregoing paragraphs (b)(2)a. and b. of this section; or
- d. Any combination of the shares of stock, depository receipts and cash in lieu of fractional shares or fractional depository receipts described in the foregoing paragraphs (b)(2)a., b. and c. of this section.

(3) In the event all of the stock of a subsidiary Delaware corporation party to a merger effected under § 253 or § 267 of this title is not owned by the parent immediately prior to the merger, appraisal rights shall be available for the shares of the subsidiary Delaware corporation.

(4) [Repealed.]

(c) Any corporation may provide in its certificate of incorporation that appraisal rights under this section shall be available for the shares of any class or series of its stock as a result of an amendment to its certificate of incorporation, any merger or consolidation in which the corporation is a constituent corporation, the sale of all or substantially all of the assets of the corporation or a conversion effected pursuant to § 266 of this title. If the certificate of incorporation contains such a provision, the provisions of this section, including those set forth in subsections (d), (e), and (g) of this section, shall apply as nearly as is practicable.

(d) Appraisal rights shall be perfected as follows:

(1) If a proposed merger, consolidation or conversion for which appraisal rights are provided under this section is to be submitted for approval at a meeting of stockholders, the corporation, not less than 20 days prior to the meeting, shall notify each of its stockholders who was such on the record date for notice of such meeting (or such members who received notice in accordance with § 255(c) of this title) with respect to shares for which appraisal rights are available pursuant to subsection (b) or (c) of this section that appraisal rights are available for any or all of the shares of the constituent corporations or the converting corporation, and shall include in such notice either a copy of this section (and, if 1 of the constituent corporations or the converting corporation is a nonstock corporation, a copy of § 114 of this title) or information directing the stockholders to a publicly available electronic resource at which this section (and, § 114 of this title, if applicable) may be accessed without subscription or cost. Each stockholder electing to demand the appraisal of such stockholder's shares shall deliver to the corporation, before the taking of the vote on the merger, consolidation or conversion, a written demand for appraisal of such stockholder's shares; provided that a demand may be delivered to the corporation by electronic transmission if directed to an information processing system (if any) expressly designated for that purpose in such notice. Such demand will be sufficient if it reasonably informs the corporation of the identity of the stockholder and that the stockholder intends thereby to demand the appraisal of such stockholder's shares. A proxy or vote against the merger, consolidation or conversion shall not constitute such a demand. A stockholder electing to take such action must do so by a separate written demand as herein provided. Within 10 days after the effective date of such merger, consolidation or conversion, the surviving, resulting or converted entity shall notify each stockholder of each constituent or converting corporation who has complied with this subsection and has not voted in favor of or consented to the merger, consolidation or conversion, and any beneficial owner who has demanded appraisal under paragraph (d)(3) of this section, of the date that the merger, consolidation or conversion has become effective; or

(2) If the merger, consolidation or conversion was approved pursuant to § 228, § 251(h), § 253, or § 267 of this title, then either a constituent or converting corporation before the effective date of the merger, consolidation or conversion, or the surviving, resulting or converted entity within 10 days after such effective date, shall notify each stockholder of any class or series of stock of such constituent or converting corporation who is entitled to appraisal rights of the approval of the merger, consolidation or conversion and that appraisal rights are available for any or all shares of such class or series of stock of such constituent or converting corporation, and shall include in such notice either a copy of this section (and, if 1 of the constituent corporations or the converting corporation is a nonstock corporation, a copy of § 114 of this title) or information directing the stockholders to a publicly available electronic resource at which this section (and § 114 of this title, if applicable) may be accessed without subscription or cost. Such notice may, and, if given on or after the effective date of the merger, consolidation or conversion, shall, also notify such stockholders of the effective date of the merger, consolidation or conversion. Any stockholder entitled to appraisal rights may, within 20 days after the date of giving such notice or, in the case of a merger approved pursuant to § 251(h) of this title, within the later of the consummation of the offer contemplated by § 251(h) of this title and 20 days after the date of giving such notice, demand in

writing from the surviving or resulting entity the appraisal of such holder's shares; provided that a demand may be delivered to such entity by electronic transmission if directed to an information processing system (if any) expressly designated for that purpose in such notice. Such demand will be sufficient if it reasonably informs such entity of the identity of the stockholder and that the stockholder intends thereby to demand the appraisal of such holder's shares. If such notice did not notify stockholders of the effective date of the merger, consolidation or conversion, either (i) each such constituent corporation or the converting corporation shall send a second notice before the effective date of the merger, consolidation or conversion notifying each of the holders of any class or series of stock of such constituent or converting corporation that are entitled to appraisal rights of the effective date of the merger, consolidation or conversion or (ii) the surviving, resulting or converted entity shall send such a second notice to all such holders on or within 10 days after such effective date; provided, however, that if such second notice is sent more than 20 days following the sending of the first notice or, in the case of a merger approved pursuant to § 251(h) of this title, later than the later of the consummation of the offer contemplated by § 251(h) of this title and 20 days following the sending of the first notice, such second notice need only be sent to each stockholder who is entitled to appraisal rights and who has demanded appraisal of such holder's shares in accordance with this subsection and any beneficial owner who has demanded appraisal under paragraph (d)(3) of this section. An affidavit of the secretary or assistant secretary or of the transfer agent of the corporation or entity that is required to give either notice that such notice has been given shall, in the absence of fraud, be prima facie evidence of the facts stated therein. For purposes of determining the stockholders entitled to receive either notice, each constituent corporation or the converting corporation may fix, in advance, a record date that shall be not more than 10 days prior to the date the notice is given, provided, that if the notice is given on or after the effective date of the merger, consolidation or conversion, the record date shall be such effective date. If no record date is fixed and the notice is given prior to the effective date, the record date shall be the close of business on the day next preceding the day on which the notice is given.

(3) Notwithstanding subsection (a) of this section (but subject to this paragraph (d)(3)), a beneficial owner may, in such person's name, demand in writing an appraisal of such beneficial owner's shares in accordance with either paragraph (d)(1) or (2) of this section, as applicable; provided that (i) such beneficial owner continuously owns such shares through the effective date of the merger, consolidation or conversion and otherwise satisfies the requirements applicable to a stockholder under the first sentence of subsection (a) of this section and (ii) the demand made by such beneficial owner reasonably identifies the holder of record of the shares for which the demand is made, is accompanied by documentary evidence of such beneficial owner's beneficial ownership of stock and a statement that such documentary evidence is a true and correct copy of what it purports to be, and provides an address at which such beneficial owner consents to receive notices given by the surviving, resulting or converted entity hereunder and to be set forth on the verified list required by subsection (f) of this section.

(e) Within 120 days after the effective date of the merger, consolidation or conversion, the surviving, resulting or converted entity, or any person who has complied with subsections (a) and (d) of this section hereof and who is otherwise entitled to appraisal rights, may commence an appraisal proceeding by filing a petition in the Court of Chancery demanding a determination of the value of the stock of all such stockholders. Notwithstanding the foregoing, at any time within 60 days after the effective date of the merger, consolidation or conversion, any person entitled to appraisal rights who has not commenced an appraisal proceeding or joined that proceeding as a named party shall have the right to withdraw such person's demand for appraisal and to accept the terms offered upon the merger, consolidation or conversion. Within 120 days after the effective date of the merger, consolidation or conversion, any person who has complied with the requirements of subsections (a) and (d) of this section hereof, upon request given in writing (or by electronic transmission directed to an information processing system (if any) expressly designated for that purpose in the notice of appraisal), shall be entitled to receive from the surviving, resulting or converted entity a statement setting forth the aggregate number of shares not voted in favor of the merger, consolidation or conversion (or, in the case of a merger approved pursuant to § 251(h) of this title, the aggregate number of shares (other than any excluded stock (as defined in § 251(h)(6)d. of this title)) that were the subject of, and were not tendered into, and accepted for purchase or exchange in, the

offer referred to in § 251(h)(2) of this title)), and, in either case, with respect to which demands for appraisal have been received and the aggregate number of stockholders or beneficial owners holding or owning such shares (provided that, where a beneficial owner makes a demand pursuant to paragraph (d)(3) of this section, the record holder of such shares shall not be considered a separate stockholder holding such shares for purposes of such aggregate number). Such statement shall be given to the person within 10 days after such person's request for such a statement is received by the surviving, resulting or converted entity or within 10 days after expiration of the period for delivery of demands for appraisal under subsection (d) of this section hereof, whichever is later.

(f) Upon the filing of any such petition by any person other than the surviving, resulting or converted entity, service of a copy thereof shall be made upon such entity, which shall within 20 days after such service file in the office of the Register in Chancery in which the petition was filed a duly verified list containing the names and addresses of all persons who have demanded appraisal for their shares and with whom agreements as to the value of their shares have not been reached by such entity. If the petition shall be filed by the surviving, resulting or converted entity, the petition shall be accompanied by such a duly verified list. The Register in Chancery, if so ordered by the Court, shall give notice of the time and place fixed for the hearing of such petition by registered or certified mail to the surviving, resulting or converted entity and to the persons shown on the list at the addresses therein stated. The forms of the notices by mail and by publication shall be approved by the Court, and the costs thereof shall be borne by the surviving, resulting or converted entity.

(g) At the hearing on such petition, the Court shall determine the persons who have complied with this section and who have become entitled to appraisal rights. The Court may require the persons who have demanded an appraisal for their shares and who hold stock represented by certificates to submit their certificates of stock to the Register in Chancery for notation thereon of the pendency of the appraisal proceedings; and if any person fails to comply with such direction, the Court may dismiss the proceedings as to such person. If immediately before the merger, consolidation or conversion the shares of the class or series of stock of the constituent or converting corporation as to which appraisal rights are available were listed on a national securities exchange, the Court shall dismiss the proceedings as to all holders of such shares who are otherwise entitled to appraisal rights unless (1) the total number of shares entitled to appraisal exceeds 1% of the outstanding shares of the class or series eligible for appraisal, (2) the value of the consideration provided in the merger, consolidation or conversion for such total number of shares exceeds \$1 million, or (3) the merger was approved pursuant to § 253 or § 267 of this title.

(h) After the Court determines the persons entitled to an appraisal, the appraisal proceeding shall be conducted in accordance with the rules of the Court of Chancery, including any rules specifically governing appraisal proceedings. Through such proceeding the Court shall determine the fair value of the shares exclusive of any element of value arising from the accomplishment or expectation of the merger, consolidation or conversion, together with interest, if any, to be paid upon the amount determined to be the fair value. In determining such fair value, the Court shall take into account all relevant factors. Unless the Court in its discretion determines otherwise for good cause shown, and except as provided in this subsection, interest from the effective date of the merger, consolidation or conversion through the date of payment of the judgment shall be compounded quarterly and shall accrue at 5% over the Federal Reserve discount rate (including any surcharge) as established from time to time during the period between the effective date of the merger, consolidation or conversion and the date of payment of the judgment. At any time before the entry of judgment in the proceedings, the surviving, resulting or converted entity may pay to each person entitled to appraisal an amount in cash, in which case interest shall accrue thereafter as provided herein only upon the sum of (1) the difference, if any, between the amount so paid and the fair value of the shares as determined by the Court, and (2) interest theretofore accrued, unless paid at that time. Upon application by the surviving, resulting or converted entity or by any person entitled to participate in the appraisal proceeding, the Court may, in its discretion, proceed to trial upon the appraisal prior to the final determination of the persons entitled to an appraisal. Any person whose name appears on the list filed by the surviving, resulting or converted entity pursuant to subsection (f) of this section may participate fully in all proceedings until it is finally determined that such person is not entitled to appraisal rights under this section.

(i) The Court shall direct the payment of the fair value of the shares, together with interest, if any, by the surviving, resulting or converted entity to the persons entitled thereto. Payment shall be so made to each such person upon such terms and conditions as the Court may order. The Court's decree may be enforced as other decrees in the Court of Chancery may be enforced, whether such surviving, resulting or converted entity be an entity of this State or of any state.

(j) The costs of the proceeding may be determined by the Court and taxed upon the parties as the Court deems equitable in the circumstances. Upon application of a person whose name appears on the list filed by the surviving, resulting or converted entity pursuant to subsection (f) of this section who participated in the proceeding and incurred expenses in connection therewith, the Court may order all or a portion of such expenses, including, without limitation, reasonable attorney's fees and the fees and expenses of experts, to be charged pro rata against the value of all the shares entitled to an appraisal not dismissed pursuant to subsection (k) of this section or subject to such an award pursuant to a reservation of jurisdiction under subsection (k) of this section.

(k) From and after the effective date of the merger, consolidation or conversion, no person who has demanded appraisal rights with respect to some or all of such person's shares as provided in subsection (d) of this section shall be entitled to vote such shares for any purpose or to receive payment of dividends or other distributions on such shares (except dividends or other distributions payable to stockholders of record at a date which is prior to the effective date of the merger, consolidation or conversion); provided, however, that if no petition for an appraisal is filed within the time provided in subsection (e) of this section, or if a person who has made a demand for an appraisal in accordance with this section shall deliver to the surviving, resulting or converted entity a written withdrawal of such person's demand for an appraisal in respect of some or all of such person's shares in accordance with subsection (e) of this section, then the right of such person to an appraisal of the shares subject to the withdrawal shall cease. Notwithstanding the foregoing, no appraisal proceeding in the Court of Chancery shall be dismissed as to any person without the approval of the Court, and such approval may be conditioned upon such terms as the Court deems just, including without limitation, a reservation of jurisdiction for any application to the Court made under subsection (j) of this section; provided, however that this provision shall not affect the right of any person who has not commenced an appraisal proceeding or joined that proceeding as a named party to withdraw such person's demand for appraisal and to accept the terms offered upon the merger, consolidation or conversion within 60 days after the effective date of the merger, consolidation or conversion, as set forth in subsection (e) of this section.

(l) The shares or other equity interests of the surviving, resulting or converted entity to which the shares of stock subject to appraisal under this section would have otherwise converted but for an appraisal demand made in accordance with this section shall have the status of authorized but not outstanding shares of stock or other equity interests of the surviving, resulting or converted entity, unless and until the person that has demanded appraisal is no longer entitled to appraisal pursuant to this section.

Lock-Up Agreement

March 1, 2026

Ladies and Gentlemen:

The undersigned (the “**Stockholder**”) understands that: (i) **RALLYBIO CORPORATION**, a Delaware corporation (“**Parent**”), has entered into an Agreement and Plan of Merger and Reorganization, dated as of March 1, 2026 (the “**Merger Agreement**”), with **CANDID THERAPEUTICS, INC.**, a Delaware corporation (the “**Company**”), and Farmington Merger Sub, Inc., a Delaware corporation and wholly-owned subsidiary of Parent (“**Merger Sub**”), pursuant to which at the effective time (the “**Effective Time**”), Merger Sub will be merged with and into the Company (the “**Merger**”) and the separate corporate existence of Merger Sub shall cease and the Company will continue as the surviving corporation; and (ii) in connection with the Merger, the stockholders of the Company will receive shares of common stock, par value \$0.0001 per share, of Parent (“**Parent Common Stock**”). Annex A sets forth definitions for certain capitalized terms used in this agreement that are not defined in the body of this agreement. Those definitions are a part of this agreement. Other capitalized terms used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Merger Agreement.

As a material inducement to the willingness of each of the parties to enter into the Merger Agreement and to consummate the Contemplated Transactions, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Stockholder hereby agrees that the Stockholder will not, subject to the exceptions set forth in this letter agreement, during the period commencing upon the Effective Time and ending on the date that is 180 days after the Effective Time (the “**Restricted Period**”), (a) Sell or Offer to Sell, any shares of Parent Common Stock or any securities convertible into or exercisable or exchangeable for Parent Common Stock, including without limitation, Parent Common Stock or such other securities which may be deemed to be beneficially owned by the Stockholder or such Stockholder’s Family Member, in accordance with the rules and regulations of the U.S. Securities and Exchange Commission and securities of Parent which may be issued upon exercise or settlement of a stock option or other equity award (collectively, “**Shares**”), (b) enter into any Swap, short sale, hedge or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of the Shares, regardless of whether any such transaction described in clause (a) or (b) above is to be settled by delivery of Parent Common Stock or such other securities, in cash or otherwise, (c) make any demand for or exercise any right with respect to the registration of any shares of Parent Common Stock or any security convertible into or exercisable or exchangeable for Parent Common Stock, or cause to be filed a registration statement, prospectus or prospectus supplement (or an amendment or supplement thereto) with respect to such registration or (d) publicly announce any intention to do any of the foregoing, in each case other than:

- (i) transfers of Shares as *bona fide* charitable contributions, gifts or donations;
- (ii) transfers or dispositions of Shares to any Family Member or any trust for the direct or indirect benefit of the Stockholder and/or the Family Member of the Stockholder;
- (iii) transfers or dispositions of Shares by will, other testamentary document or intestate succession to the legal representative, heir, beneficiary or a member of the Immediate family of the Stockholder;
- (iv) transfers of Shares to stockholders, direct or indirect Affiliates, current or former partners (general or limited), members or managers of the Stockholder, as applicable, or to the estates of any such stockholders, Affiliates, partners, members or managers, or to another corporation, partnership, limited liability company or other business entity that controls, is controlled by or is under common control with the Stockholder;
- (v) transfers that occur by operation of law pursuant to a court order or settlement agreement related to the distribution of assets in connection with the dissolution of a marriage or civil union;
- (vi) transfers or dispositions not involving a change in beneficial ownership;

(vii) if the Stockholder is a trust, transfers or dispositions to any beneficiary of the Stockholder or the estate of any such beneficiary;

(viii) transfers pursuant to a bona fide third party tender offer, merger, consolidation or other similar transaction made to all holders of the Parent's capital stock involving a change of control of the Parent, provided that in the event that such tender offer, merger, consolidation or other such transaction is not completed, the Shares shall remain subject to the restrictions contained in this letter agreement;

(ix) transfers of Parent Common Stock, if any, issued in connection with the Concurrent Financing;

provided, that in each case of clauses (i)-(vii), (a) other than with respect to clauses (i), (iii), (iv), (v) and (vii), no filing by any party (including any donor, donee, transferor or transferee, distributor or distributee) under the Exchange Act or other public announcement shall be required or shall be made voluntarily in connection with such transfer or distribution (other than filings made in respect of involuntary transfers or dispositions or a filing on a Form 5 made after the expiration of the Restricted Period), (b) other than with respect to clause (iv), any such transfer or distribution shall not involve a disposition for value, and (c) the transferee or donee agrees in writing to be bound by the terms and conditions of this letter agreement and either the Stockholder or the transferee or donee provides Parent with a copy of such agreement promptly upon consummation of any such transfer.

Notwithstanding the restrictions imposed by this letter agreement, the Stockholder may (a) exercise or settle an option to purchase Shares or other equity award (including a net or cashless exercise of such option) and provided further, that the underlying Shares shall continue to be subject to the restrictions on transfer set forth in this letter agreement, (b) transfer Shares to Parent to cover tax withholding obligations of the Stockholder in connection with the vesting, settlement or exercise of such options or other equity awards, as applicable, (c) establish a trading plan pursuant to Rule 10b5-1 under the Exchange Act ("**10b5-1 Plan**") for the transfer of Shares, provided that such plan does not provide for any transfers of Shares during the Restricted Period and, provided further, that, no filing under the Exchange Act or other public announcement shall be made voluntarily in connection with the establishment of such a plan, (d) transfer Shares to Parent pursuant to arrangements under which Parent has the option to repurchase such Shares, or (e) transfer or dispose of Shares acquired on the open market following the Effective Time.

Any attempted transfer in violation of this letter agreement will be of no effect and null and void, regardless of whether the purported transferee has any actual or constructive knowledge of the transfer restrictions set forth in this letter agreement, and will not be recorded on the share register of Parent. To ensure compliance with the restrictions referred to herein, the Stockholder agrees that Parent and any duly appointed transfer agent may issue appropriate "stop transfer" certificates or instructions. Parent may cause the legend set forth below, or a legend substantially equivalent thereto, to be placed upon any certificate(s) or other documents or instruments evidencing ownership of the Shares:

THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO AND MAY ONLY BE TRANSFERRED IN COMPLIANCE WITH A LOCK-UP AGREEMENT, A COPY OF WHICH IS ON FILE AT THE PRINCIPAL OFFICE OF THE COMPANY.

The Stockholder hereby represents and warrants that the Stockholder has full power and authority to enter into this letter agreement. All authority conferred or agreed to be conferred and any obligations of the Stockholder under this letter agreement will be binding upon the successors, assigns, heirs or personal representatives of the Stockholder.

In the event that any holder of Parent's securities that is subject to a substantially similar agreement entered into by such holder, other than the Stockholder, is granted a release or waiver of the foregoing restrictions by Parent with respect to any shares of Parent Common Stock for value other than as permitted by this or a

substantially similar agreement entered into by such holder, the same percentage of shares of Parent Common Stock held by the Stockholder shall be immediately and fully released on the same terms from any remaining restrictions set forth herein (the “**Pro-Rata Release**”); provided, however, that such Pro-Rata Release shall not be applied unless and until permission has been granted by Parent, to an equity holder or equity holders to sell or otherwise transfer or dispose of all or a portion of such equity holders’ shares of Parent Common Stock in an aggregate amount in excess of 1% of the number of shares of Parent Common Stock outstanding immediately following the Effective Time; provided further that if the Stockholder is an executive officer or director of Parent and such release or waiver was conducted solely for the purpose of meeting Nasdaq’s initial listing standards, then such Stockholder shall not be entitled to such Pro-Rata Release.

Upon the release of any Shares from this letter agreement, Parent will cooperate with the Stockholder to facilitate the timely preparation and delivery of certificates or the establishment of book entry positions at the Parent’s transfer agent representing the Shares without the restrictive legend above and the withdrawal of any stop transfer instructions at the Parent’s transfer agent.

The Stockholder understands that each of Parent and the Company is relying upon this letter agreement in proceeding toward consummation of the Merger. The Stockholder further understands that this letter agreement is irrevocable and is binding upon the Stockholder’s heirs, legal representatives, successors and assigns.

This letter agreement and any claim, controversy or dispute arising under or related to this letter agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to the conflict of laws principles thereof.

The Stockholder understands that if the Merger Agreement is terminated in accordance with its terms, the Stockholder will be released from all obligations under this letter agreement.

The undersigned hereby represents that the undersigned has full power, capacity and authority to enter into this agreement. This letter agreement may be executed by electronic (i.e., PDF) transmission, which is deemed an original.

[Signature Page Follows]

Very truly yours,

Print Name of
Stockholder: _____

Signature (for individuals):

Signature (for entities):

By: _____

Name: _____

Title: _____

[SIGNATURE PAGE TO LOCK-UP AGREEMENT]

**Certain Defined Terms
Used in Lock-up Agreement**

For purposes of the agreement to which this Annex A is attached and of which it is made a part:

- “**Affiliate**” shall have the meaning set forth in Rule 405 under the Securities Act.
- “**Call Equivalent Position**” shall have the meaning set forth in Rule 16a-1(b) under the Exchange Act.
- “**Exchange Act**” shall mean the Securities Exchange Act of 1934, as amended.
- “**Family Member**” shall mean the spouse of the undersigned, an immediate family member of the undersigned or an immediate family member of the undersigned’s spouse, in each case living in the undersigned’s household or whose principal residence is the undersigned’s household (regardless of whether such spouse or family member may at the time be living elsewhere due to educational activities, health care treatment, military service, temporary internship or employment or otherwise). “**Immediate family member**” as used above shall have the meaning set forth in Rule 16a-1(e) under the Exchange Act.
- “**Immediate Family**” shall mean any relationship by blood, marriage or adoption, not more remote than first cousin.
- “**Put Equivalent Position**” shall have the meaning set forth in Rule 16a-1(h) under the Exchange Act.
- “**Securities Act**” shall mean the Securities Act of 1933, as amended.
- “**Sell or Offer to Sell**” shall mean to:
 - sell, offer to sell, contract to sell or lend,
 - effect any short sale or establish or increase a Put Equivalent Position or liquidate or decrease any Call Equivalent Position,
 - pledge, hypothecate or grant any security interest in, or
 - in any other way transfer or dispose of,in each case whether effected directly or indirectly.
- “**Swap**” shall mean any swap, hedge or similar arrangement or agreement that transfers, in whole or in part, the economic risk of ownership of Shares, regardless of whether any such transaction is to be settled in securities, in cash or otherwise.

Capitalized terms not defined in this Annex A shall have the meanings given to them in the body of this agreement.

CONTINGENT VALUE RIGHTS AGREEMENT

THIS CONTINGENT VALUE RIGHTS AGREEMENT (this “*Agreement*”), dated as of [•] (the “*Effective Date*”), is entered into by and between Rallybio Corporation, a Delaware corporation (“*Rallybio*”), and [•], a [•], as Rights Agent (as defined herein).

RECITALS

A. Rallybio, Farmington Merger Sub, Inc., a Delaware corporation and a wholly owned Subsidiary of Rallybio (“*Merger Sub*”) and Candid Therapeutics, Inc., a Delaware corporation (the “*Company*”), have entered into an Agreement and Plan of Merger and Reorganization, dated as of March 1, 2026 (as it may be amended, supplemented or otherwise modified from time to time pursuant to the terms thereof, the “*Merger Agreement*”), pursuant to which Merger Sub will merge with and into the Company (the “*Merger*”), with the Company surviving the Merger as a wholly owned Subsidiary of Rallybio.

B. Pursuant to the Merger Agreement, and in accordance with the terms and conditions thereof, Rallybio has agreed to provide to the Holders (as defined herein) certain contingent value rights as hereinafter described.

C. The parties to this Agreement have done all things reasonably necessary to make the contingent value rights, when issued hereunder, the valid obligations of Rallybio and to make this Agreement a valid and binding agreement of Rallybio, in accordance with its terms.

NOW, THEREFORE, in consideration of the premises and the consummation of the transactions referred to above, it is mutually covenanted and agreed, for the proportionate benefit of all Holders, as follows:

ARTICLE 1 DEFINITIONS

1.1 Definitions.

Capitalized terms used but not otherwise defined herein have the meanings ascribed thereto in the Merger Agreement. The following terms have the meanings ascribed to them as follows:

“*Acting Holders*” means, at any time, the registered Holders of more than 40% of the total number of CVRs outstanding at such time, as set forth on the CVR Register.

“*Affiliate*” of any particular Person means any other Person controlling, controlled by or under common control with such particular Person. For the purposes of this definition, “controlling,” “controlled” and “control” mean the possession, directly or indirectly, of the power to direct the management and policies of a Person whether through the ownership of voting securities, contract or otherwise.

“*Assignee*” has the meaning set forth in [Section 6.6](#).

“*Business Day*” means any day other than a Saturday, Sunday or other day on which banks in New York, New York are authorized or obligated by Law to be closed.

“*CVR*” means a contingent contractual right of Holders to receive the CVR Payments pursuant to this Agreement.

“**CVR Payment**” means a cash payment equal to 100% of the Net Proceeds actually received by Rallybio during a CVR Payment Period.

“**CVR Payment Period**” means an annual period (or portion thereof) beginning on the Effective Date and ending on December 31 of any given calendar year during the CVR Term; *provided*, that if the last CVR Payment Period would end subsequent to the expiration of the CVR Term, such CVR Payment Period will end on the Termination Date.

“**CVR Register**” has the meaning set forth in [Section 2.2\(b\)](#).

“**CVR Term**” means the period beginning on the Closing and ending on December 31, 2030.

“**Disposition**” means the sale, license, transfer or other disposition to a third party of any Legacy Asset by Rallybio or its Affiliates, including any sale or disposition of equity securities in any Subsidiary established by Rallybio to hold any right, title or interest in any Legacy Asset, in each case, during the Disposition Period.

“**Disposition Agreement**” means a definitive written agreement providing for the Disposition of all or any portion of the Legacy Assets.

“**Disposition Period**” means the period beginning on the Effective Date and ending on the date that is one year thereafter.

“**Gross Proceeds**” means, without duplication, the sum of all consideration that is received by Rallybio during the CVR Term with respect to (i) any upfront, milestone, royalty and other payments received under a Disposition Agreement and (ii) any Recursion Milestone Amounts; *provided*, that, for the avoidance of doubt, Gross Proceeds shall not include any amounts that are Incidental Benefits. Equity securities shall only constitute Gross Proceeds to the extent they are listed and traded on a national stock exchange, and shall have such value as quoted on such national securities exchange at the time of disposition of such equity securities.

“**Holder**” means, at the relevant time, a Person in whose name one or more CVRs are registered in the CVR Register.

“**Holder Representative**” means Stephen Uden, M.D.

“**Incidental Benefits**” means any amounts paid to, received or realized by Rallybio that are:

- (a) Tax attributes, Tax refunds, Tax credits, Tax deductions or other Tax benefits (including utilization of net operating losses, basis increases, amortization or depreciation deductions, or reductions in Tax liability);
 - (b) profit-share, revenue-share, or similar participation payments;
 - (c) reimbursements or payments for research, development, clinical, regulatory, manufacturing, commercialization, patent or other costs or services;
 - (d) in-kind benefits of any nature or non-cash consideration (other than equity securities listed and traded on a national stock exchange);
- and
- (e) other ancillary, indirect or incidental benefits, rights or value received in connection with or arising out of the Disposition Agreement.

“**Law**” means any federal, state, national, foreign, material local or municipal or other law, statute, constitution, principle of common law, resolution, ordinance, code, edict, decree, rule, regulation, ruling, or

requirement issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any governmental authority (including under the authority of Nasdaq or the Financial Industry Regulatory Authority).

“**Legacy Assets**” means Rallybio’s rights, assets, technology and intellectual property that were in existence immediately prior to the execution of the Merger Agreement and were used or generated prior to such execution in one or more of Rallybio’s research and development programs. For clarity, the Legacy Assets shall not include any asset, technology or intellectual property owned or controlled by the Company or its Subsidiaries prior to the Closing.

“**Liability**” means any liability, indebtedness, obligation, expense, claim, deficiency, guaranty or endorsement of any kind, whether accrued, absolute, contingent, matured, unmatured or otherwise.

“**Loss**” has the meaning set forth in [Section 3.2\(g\)](#).

“**Membership Interest Purchase Agreement**” means the Membership Interest Purchase Agreement, dated as of July 8, 2025, by and among Rallybio, Recursion Pharmaceuticals, Inc. and the other parties thereto.

“**Net Proceeds**” means, for any CVR Payment Period, Gross Proceeds minus Permitted Deductions. For clarity, to the extent Permitted Deductions exceed Gross Proceeds for any CVR Payment Period, any excess Permitted Deductions shall be applied against Gross Proceeds in subsequent CVR Payment Periods.

“**Notice**” has the meaning set forth in [Section 6.1](#).

“**Officer’s Certificate**” means a certificate signed by the chief executive officer and the chief financial officer of Rallybio, in their respective official capacities.

“**Permitted Deductions**” means the sum of:

(a) any applicable Tax (including any applicable value added or sales taxes) imposed on Gross Proceeds or otherwise payable by Rallybio or any of its Affiliates (regardless of whether the due date for such Taxes arises during or after the Disposition Period), including, without duplication, any income or other similar Taxes payable by Rallybio or any of its Affiliates that would not have been incurred by Rallybio or any of its Affiliates but for the Gross Proceeds, and any applicable Tax imposed on or otherwise payable in connection with making any CVR Payment or the issuance of any CVR (including, without limitation, (i) the employer portion of any employment, payroll, or other similar Taxes in respect of CVR Payments made in respect of Parent In the Money Stock Options granted to employees or Parent restricted stock units and (ii) any withholding Taxes (including interest and penalties) relating to the issuance of a CVR or any CVR Payment); *provided* that, for purposes of calculating income Taxes payable by Rallybio or any of its Affiliates in respect of the Gross Proceeds, such income Taxes shall be calculated without taking into account any net operating losses or other Tax attributes generated by Rallybio or any of its Affiliates;

(b) any reasonable and documented expenses incurred by Rallybio or any of its Affiliates to preserve or ready the Legacy Assets for sale or in respect of its performance of this Agreement following the Effective Date or in respect of its performance of any Contract in connection with any Legacy Asset (in each case, to the extent such expenses are not included in the determination of the Net Cash of Rallybio in accordance with the Merger Agreement), including any damages, liabilities arising under any Contract or Disposition Agreement;

(c) any reasonable and documented expenses incurred or accrued by Rallybio or any of its Affiliates in connection with the negotiation, entry into and closing of any Disposition Agreement or the Disposition of any Legacy Asset;

(d) any Losses incurred by Rallybio or any of its Affiliates arising out of any third-party claims, demands, actions, or other proceedings relating to or in connection with any Disposition, including indemnification obligations as set forth in a claims notice received by Rallybio or any of its Affiliates pursuant to any Disposition Agreement;

(e) any Liabilities borne by Rallybio or any of its Affiliates pursuant to Contracts related to Legacy Assets, including costs arising from the termination thereof (in each case only to the extent not included in the calculation of Parent Net Cash); and

(f) any amounts payable to the Rights Agent in connection with the distribution of any CVR Payment.

“Permitted Transfer” means a transfer of CVRs (i) upon death of a Holder by will or intestacy, (ii) pursuant to a court order, (iii) by operation of law (including by consolidation or merger) or without consideration in connection with the dissolution, liquidation or termination of any corporation, limited liability company, partnership or other entity, (iv) in the case of CVRs held in book-entry or other similar nominee form, from a nominee to a beneficial owner and, if applicable, through an intermediary, or (v) as provided in [Section 2.5](#).

“Person” means any individual, corporation, partnership, joint venture, estate, trust, company, firm, limited liability company, firm, society or other enterprise, association, organization, or any other entity not specifically listed herein, including any governmental authority.

“Pro Rata Share” means, with respect to any Holder, the quotient obtained by dividing (i) the aggregate number of CVRs held by such Holder by (ii) the aggregate number of outstanding CVRs held by all Holders, in each case, as reflected in the CVR Register.

“Recursion Milestone Amounts” means the aggregate cash payment amounts received by Rallybio from Recursion Pharmaceuticals, Inc. pursuant to Section 1.1(c) of the Membership Interest Purchase Agreement.

“Rights Agent” means the Rights Agent named in the first paragraph of this Agreement, until a successor Rights Agent shall have been appointed pursuant to [Article 3](#) of this Agreement, and thereafter **“Rights Agent”** will mean such successor Rights Agent.

“Securities Act” means the Securities Act of 1933, as amended.

“Payment Statement” means, for a given CVR Payment Period during the CVR Term, a written statement of Rallybio, signed on behalf of Rallybio, setting forth in reasonable detail the calculation of the applicable CVR Payment for such CVR Payment Period.

An entity shall be deemed to be a **“Subsidiary”** of a Person if such Person directly or indirectly owns or purports to own, beneficially or of record, (a) an amount of voting securities or other interests in such entity that is sufficient to enable such Person to elect at least a majority of the members of such entity’s board of directors or other governing body, or (b) at least 50% of the outstanding equity, voting, beneficial or financial interests in such entity.

ARTICLE 2

CONTINGENT VALUE RIGHTS

2.1 Holders of CVRs; Appointment of Rights Agent.

(a) The CVRs represent the contractual rights of Holders to receive contingent cash payment of the aggregate CVR Payments from Rallybio pursuant to this Agreement. The initial Holders shall be the holders of

(i) Parent Common Stock, (ii) Pre-Funded Warrants, (iii) Parent restricted stock units and (iv) In the Money Parent Options as of the close of business on the last Business Day prior to the day on which the Effective Time occurs (the “**Record Date**”). One CVR will be issued with respect to each (w) share of Parent Common Stock, (x) Pre-Funded Warrant, (y) Parent restricted stock unit and (z) In the Money Parent Option that is outstanding as of the close of business on the Record Date.

(b) Rallybio hereby appoints the Rights Agent to act as rights agent for Rallybio in accordance with the express terms and conditions set forth in this Agreement, and the Rights Agent hereby accepts such appointment.

2.2 No Certificate; Registration; Registration of Transfer; Change of Address.

(a) Holders’ rights and obligations in respect of the CVRs derive solely from this Agreement. The CVRs will not be evidenced by a certificate or other instrument.

(b) The Rights Agent will create and maintain a register (the “**CVR Register**”) for the purposes of (i) identifying the Holders of CVRs, (ii) determining the Holders’ entitlement to CVRs and (iii) registering the CVRs and Permitted Transfers thereof. The CVR Register will be created, and CVRs will be distributed, pursuant to written instructions to the Rights Agent from Rallybio. Except for the obligations to the Rights Agent and the Holder Representative set forth herein, neither Rallybio nor its Subsidiaries will have any responsibility or liability whatsoever to any Person other than the Holders.

(c) Subject to the restrictions on transferability set forth in [Section 2.6](#), every request made to transfer CVRs must be in writing and accompanied by a written instrument of transfer reasonably acceptable to the Rights Agent, together with the signature guarantee of a guarantor institution which is a participant in a signature guarantee program approved by the Securities Transfer Association (a “signature guarantee”) and other requested documentation in a form reasonably satisfactory to the Rights Agent, duly executed and properly completed, as applicable, by the Holder or Holders thereof, or by the duly appointed legal representative, personal representative or survivor of such Holder or Holders, setting forth in reasonable detail the circumstances relating to the transfer. Upon receipt of such written notice, the Rights Agent will, subject to its reasonable determination in accordance with its own internal procedures, that the transfer instrument is in proper form and otherwise complies on its face with the other terms and conditions of this Agreement (including the provisions in [Section 2.6](#)), register the transfer of the applicable CVRs in the CVR Register. All transfers of CVRs registered in the CVR Register will be the valid obligations of Rallybio, evidencing the same right, and entitling the transferee to the same benefits and rights under this Agreement, as those held by the transferor. Rallybio and the Rights Agent may each require payment by the applicable Holder of a sum sufficient to cover any stamp or other Tax or governmental charge that is imposed in connection with any such registration of transfer (or evidence from the applicable Holder that such Taxes and charges are not applicable). No transfer of CVRs shall be valid until registered in the CVR Register and unless such transfer would not violate the Securities Act. Any putative transfer not duly registered in the CVR Register or in violation of the Securities Act shall be void.

(d) A Holder may make a written request to the Rights Agent to change such Holder’s address of record in the CVR Register. Such written request must be duly executed by such Holder. Upon receipt of such written notice, the Rights Agent shall promptly record the change of address in the CVR Register. The Acting Holders may, without duplication, make a written request to the Rights Agent for a list containing the names, addresses and number of CVRs of the Holders that are registered in the CVR Register. Upon receipt of such written request from the Acting Holders, the Rights Agent shall promptly deliver a copy of such list to the Acting Holders.

2.3 Payment Procedures.

(a) No later than forty-five (45) days following the end of each CVR Payment Period during the CVR Term, Rallybio shall deliver to the Rights Agent a Payment Statement for such CVR Payment Period. Concurrent

with the delivery of each Payment Statement, on the terms and conditions of this Agreement, Rallybio shall pay the Rights Agent in U.S. dollars an amount equal to the CVR Payment for the applicable CVR Payment Period; provided, however, that in the event that the aggregate CVR Payment on any Payment Statement shall be less than \$1,000,000, no Payment Amount shall be due and instead such CVR Payment shall be added to subsequent CVR Payments until: (i) the aggregate CVR Payments shall be at least \$1,000,000 or (ii) the final CVR Payment Period. Rallybio will cause an amount equal to such CVR Payment to be transferred by wire transfer of immediately available funds to an account designated in writing by the Rights Agent (for further distribution to the Holders in accordance with the terms hereof) not less than ten (10) Business Days prior to the date of the applicable payment.

(b) Upon receipt of the wire transfer referred to in [Section 2.3\(a\)](#), the Rights Agent will promptly (and in any event within ten (10) Business Days) pay, by check mailed, first-class postage prepaid, to the address of each Holder set forth in the CVR Register at such time or by other method of delivery as specified by the applicable Holder in writing to the Rights Agent, an amount in cash equal to such Holder's Pro Rata Share of the applicable CVR Payment.

(c) With respect to any Net Proceeds that are paid to Rallybio or its Affiliate, Rallybio shall have no further liability in respect of the respective CVR Payment upon delivery of the relevant funds to the Rights Agent in accordance with [Section 2.3\(a\)](#).

(d) Rallybio and the Rights Agent will be entitled to deduct and withhold, or cause to be deducted and withheld, from any amounts required to be paid or distributed under this Agreement (including any issuance of a CVR pursuant to this Agreement or any CVR Payment payable pursuant to this Agreement), such amounts as Rallybio or the Rights Agent reasonably determines it is required to deduct and withhold with respect to the making of such payment or distribution (including in respect of the distribution of CVRs) under any provision of applicable Law relating to Taxes. To the extent that amounts are so deducted and withheld pursuant to this paragraph (d), such deducted and withheld amounts will be treated for all purposes of this Agreement as having been paid or distributed to the Holder in respect of which such deduction and withholding were made. The Rights Agent will solicit from each Holder a properly completed IRS Form W-9 or the appropriate version of IRS Form W-8, as applicable, at or prior to any distribution or other payment to such Holder under this Agreement. If Rallybio or the Rights Agent fails to withhold any Tax required to be withheld pursuant to any issuance of a CVR or CVR Payment, Rallybio and the Rights Agent will be entitled to deduct and withhold, or cause to be deducted and withheld, such Taxes (including any interest and penalties) from subsequent payments with respect to the applicable CVR or, at Rallybio's option, the Holder of such applicable CVR shall promptly pay such Tax to Rallybio upon request.

(e) Any portion of a CVR Payment that remains undistributed to the Holders on the date that is six months after the Rights Agent's receipt of the applicable Payment Statement (including by means of uncashed checks or invalid addresses on the CVR Register) will be delivered by the Rights Agent to Rallybio or a Person nominated in writing by Rallybio (with written notice thereof from Rallybio to the Rights Agent), and any Holder will thereafter look only to Rallybio for payment of such CVR Payment (which shall be without interest).

(f) If any CVR Payment (or portion thereof) remains unclaimed by a Holder on the date that is one year after the Rights Agent's receipt of the applicable Payment Statement or the CVR Payment (or immediately prior to such earlier date on which such CVR Payment would otherwise escheat to or become the property of any governmental authority), then: (i) such CVR Payment (or portion thereof) will, to the extent permitted by applicable Law, become the property of Rallybio and will be transferred to Rallybio or a Person nominated in writing by Rallybio (with written notice thereof from Rallybio to the Rights Agent), free and clear of all claims or interest of any Person previously entitled thereto, and no consideration or compensation shall be payable therefor, and (ii) the CVRs to which such payment relate shall be deemed abandoned in accordance with [Section 2.5](#) and shall no longer be deemed outstanding for any purpose (including for purposes of calculating each Holder's Pro Rata Share). Neither Rallybio nor the Rights Agent will be liable to any Person in respect of a

CVR Payment delivered to a public official pursuant to any applicable abandoned property, escheat or similar legal requirement under applicable Law. In addition to and not in limitation of any other indemnity obligation herein, Rallybio agrees to indemnify and hold harmless the Rights Agent with respect to any liability, penalty, cost or expense the Rights Agent may incur or be subject to in connection with transferring such property to Rallybio or a public official.

2.4 No Voting, Dividends or Interest; No Equity or Ownership Interest.

(a) CVRs will not have any voting or dividend rights, and interest will not accrue on any amounts payable in respect of CVRs.

(b) CVRs will not represent any equity or ownership interest in Rallybio or any of its Affiliates. The sole right of the Holders to receive property hereunder is the right to receive CVR Payments, if any, in accordance with the terms hereof.

(c) The CVRs and the possibility of any payment hereunder with respect thereto are highly speculative and subject to numerous factors outside of Rallybio's control, and there is no assurance that Holders will receive any payments under this Agreement or in connection with the CVRs. It is highly possible that there will not be any CVR Payments. Neither Rallybio nor its Affiliates owe, by virtue of their obligations under this Agreement, a fiduciary duty or any implied duties to the Holders and the parties hereto intend solely the express provisions of this Agreement to govern their contractual relationship with respect to the CVRs. This [Section 2.4\(c\)](#) is an essential and material term of this Agreement.

2.5 Ability to Abandon CVR. A Holder may at any time, at such Holder's option or upon the failure to claim payment under [Section 2.3\(f\)](#), abandon all of such Holder's remaining rights represented by CVRs by transferring such CVR to Rallybio or a Person nominated in writing by Rallybio (with written notice thereof from Rallybio to the Rights Agent) without consideration in compensation therefor, and such rights will be cancelled, with the Rights Agent being promptly notified in writing by Rallybio of such transfer and cancellation. No such notice to the Rights Agent shall be required in the case of abandonment due to the failure to claim payment under [Section 2.3\(f\)](#). Nothing in this Agreement is intended to prohibit Rallybio or its Affiliates from offering to acquire or acquiring CVRs, in private transactions or otherwise, for consideration in its sole discretion.

2.6 Non-transferable. The CVRs may not be sold, assigned, transferred, pledged, encumbered or in any other manner transferred or disposed of, in whole or in part, other than through a Permitted Transfer. The CVRs will not be listed on any quotation system or traded on any securities exchange. Any purported transfer of a CVR other than through a Permitted Transfer shall be null and void *ab initio*.

ARTICLE 3

THE RIGHTS AGENT

3.1 Certain Duties and Responsibilities.

(a) The Rights Agent will not have any liability for any actions taken or not taken in connection with this Agreement, except to the extent such liability arises as a result of the willful misconduct, bad faith, fraud or gross negligence of the Rights Agent (in each case as determined by a final non-appealable judgment of court of competent jurisdiction). Anything to the contrary notwithstanding, in no event will the Rights Agent be liable for special, punitive, indirect, incidental or consequential loss or damages of any kind whatsoever (including, without limitation, lost profits), even if the Rights Agent has been advised of the likelihood of such loss or damages, and regardless of the form of action.

(b) The Rights Agent will not have any duty or responsibility in the case of the receipt of any written demand from any Holder with respect to any action or default by any Person or entity, including, without limiting the generality of the foregoing, any duty or responsibility to initiate or attempt to initiate any proceedings at law or otherwise or to make any demand upon Rallybio. All rights of action under this Agreement may be enforced (but shall not be required to be enforced) by the Rights Agent, any claim, action, suit, audit, investigation or proceeding instituted by the Rights Agent will be brought in its name as the Rights Agent and any recovery in connection therewith will be for the proportionate benefit of all the Holders, as their respective rights or interests may appear on the CVR Register.

3.2 Certain Rights of Rights Agent.

(a) The Rights Agent undertakes to perform such duties and only such duties as are specifically set forth in this Agreement, and no implied covenants or obligations will be read into this Agreement against the Rights Agent.

(b) The Rights Agent may rely and will be protected by Rallybio in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order or other paper or document believed by it in the absence of bad faith to be genuine and to have been signed or presented by or on behalf of Rallybio.

(c) Whenever the Rights Agent deems it desirable that a matter be proved or established prior to taking or omitting any action hereunder, the Rights Agent may (i) rely upon an Officer's Certificate and (ii), in the absence of bad faith, gross negligence, fraud or willful misconduct on its part, incur no liability and be held harmless by Rallybio for or in respect of any action taken or omitted to be taken by it under the provisions of this Agreement in reliance upon such Officer's Certificate.

(d) The Rights Agent may engage and consult with counsel of its selection, and the written advice or opinion of such counsel will, in the absence of bad faith, gross negligence, fraud or willful misconduct on the part of the Rights Agent, be full and complete authorization and protection in respect of any action taken or not taken by the Rights Agent in reliance thereon.

(e) Any permissive rights of the Rights Agent hereunder will not be construed as a duty.

(f) The Rights Agent will not be required to give any note or surety in respect of the execution of its powers or otherwise under this Agreement.

(g) Rallybio agrees to indemnify the Rights Agent for, and to hold the Rights Agent harmless from and against, any loss, liability, damage, judgment, fine, penalty, cost or expense (each, a "**Loss**") suffered or incurred by the Rights Agent and arising out of or in connection with the Rights Agent's performance of its obligations under this Agreement, including the reasonable and documented costs and expenses of defending the Rights Agent against any claims, charges, demands, actions or suits arising out of or in connection with the execution, acceptance, administration, exercise and performance of its duties under this Agreement, including the costs and expenses of defending against any claim of liability arising therefrom, directly or indirectly, or enforcing its rights hereunder, except to the extent such Loss has been determined by a final non-appealable decision of a court of competent jurisdiction to have resulted from the Rights Agent's gross negligence, bad faith, fraud or willful misconduct; provided that this Section 3.2(g) shall not apply to (i) income, receipt, franchise or similar Taxes, (ii) any Taxes imposed due to the Rights Agent's connection with the jurisdiction imposing such Taxes (other than any connection caused solely by this Agreement or the Rights Agent performing, enforcing or receiving payments under this Agreement), or (iii) any Taxes imposed due to the failure of the Rights Agent to provide any form, document or certificate that would have reduced or eliminated the amount of withholding taxes ("**Excluded Taxes**").

(h) In addition to the indemnification provided under Section 3.2(g), Rallybio agrees (i) to pay the fees of the Rights Agent in connection with the Rights Agent's performance of its obligations hereunder, as agreed upon in writing by the Rights Agent and Rallybio on or prior to the date of this Agreement, and (ii) to reimburse the Rights Agent for all reasonable and properly documented out-of-pocket expenses, including all stamp and transfer Taxes (excluding any Excluded Taxes) and governmental charges, incurred by the Rights Agent in the performance of its obligations under this Agreement, except that Rallybio will have no obligation to pay the fees of the Rights Agent or reimburse the Rights Agent in connection with any lawsuit initiated by the Rights Agent on behalf of itself or the Holders, except in the case of any suit enforcing the provisions of Section 2.3(a) or Section 3.2(g), if Rallybio is found by a court of competent jurisdiction to be liable to the Rights Agent or the Holders, as applicable in such suit.

(i) No provision of this Agreement shall require the Rights Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder or in the exercise of any of its rights or powers if it believes that repayment of such funds or adequate indemnification against such risk or liability is not reasonably assured to it.

(j) The Rights Agent will not be deemed to have knowledge of any event of which it was supposed to receive notice hereunder but has not received written notice of such event, and the Rights Agent will not incur any liability for failing to take action in connection therewith, in each case, unless and until it has received such notice in writing.

(k) Subject to applicable Law, (i) the Rights Agent and any shareholder, affiliate, director, officer or employee of the Rights Agent may buy, sell or deal in any securities of Rallybio or become peculiarly interested in any transaction in which Rallybio may be interested, or contract with or lend money to Rallybio or otherwise act as fully and freely as though it were not the Rights Agent under this Agreement, and (ii) nothing herein will preclude the Rights Agent from acting in any other capacity for Rallybio or for any other Person.

(l) The Rights Agent may execute and exercise any of the rights or powers hereby vested in it or perform any duty hereunder either itself or by or through its attorney or agents and the Rights Agent shall not be answerable or accountable for any act, default, neglect or misconduct of any such attorney or agents or for any loss to Rallybio resulting from any such act, default, neglect or misconduct, absent gross negligence, bad faith or willful misconduct (each as determined by a final non-appealable judgment of a court of competent jurisdiction) in the selection and continued employment thereof.

(m) Rallybio shall perform, acknowledge and deliver or cause to be performed, acknowledged and delivered all such further and other acts, documents, instruments and assurances as may be reasonably required by the Rights Agent for the carrying out or performing by the Rights Agent of the provisions of this Agreement.

(n) The Rights Agent shall not be liable for or by reason of any of the statements of fact or recitals contained in this Agreement (except its countersignature thereof) or be required to verify the same, and all such statements and recitals are and shall be deemed to have been made by Rallybio only.

(o) The Rights Agent shall act hereunder solely as agent for Rallybio and shall not assume any obligations or relationship of agency or trust with any of the owners or holders of the CVRs. The Rights Agent shall not have any duty or responsibility in the case of the receipt of any written demand from any Holders with respect to any action or default by Rallybio, including, without limiting the generality of the foregoing, any duty or responsibility to initiate or attempt to initiate any proceedings at law or otherwise or to make any demand upon Rallybio.

(p) The Rights Agent may rely on and be fully authorized and protected in acting or failing to act upon (a) any guaranty of signature by an "eligible guarantor institution" that is a member or participant in the Securities Transfer Agents Medallion Program or other comparable "signature guarantee program" or insurance

program in addition to, or in substitution for, the foregoing; or (b) any law, act, regulation or any interpretation of the same even though such law, act, or regulation may thereafter have been altered, changed, amended or repealed.

(q) The Rights Agent shall not be liable or responsible for any failure of Rallybio to comply with any of its obligations relating to any registration statement filed with the Securities and Exchange Commission or this Agreement, including without limitation obligations under applicable regulation or law.

(r) The obligations of Rallybio under this [Section 3.2](#) shall survive the expiration of the CVRs and the termination of this Agreement and the resignation, replacement or removal of the Rights Agent.

3.3 Resignation and Removal; Appointment of Successor.

(a) The Rights Agent may resign at any time by written notice to Rallybio. Any such resignation notice shall specify the date on which such resignation will take effect (which shall be at least thirty (30) days following the date that such resignation notice is delivered), and such resignation will be effective on the earlier of (x) the date so specified and (y) the appointment of a successor Rights Agent.

(b) Rallybio will have the right to remove the Rights Agent at any time by written notice to the Rights Agent, specifying the date on which such removal will take effect. Such notice will be given at least thirty (30) days prior to the date so specified (or, if earlier, the appointment of the successor Rights Agent).

(c) If the Rights Agent resigns, is removed or becomes incapable of acting, Rallybio will promptly appoint a qualified successor Rights Agent. Notwithstanding the foregoing, if Rallybio fails to make such appointment within a period of thirty (30) days after giving notice of such removal or after it has been notified in writing of such resignation or incapacity by the resigning or incapacitated Rights Agent, then the incumbent Rights Agent may apply to any court of competent jurisdiction for the appointment of a new Rights Agent. The successor Rights Agent so appointed will, upon its acceptance of such appointment in accordance with this [Section 3.3\(c\)](#) and [Section 3.4](#), become the Rights Agent for all purposes hereunder.

(d) Rallybio will give notice to the Holders of each resignation or removal of the Rights Agent and each appointment of a successor Rights Agent in accordance with [Section 6.2](#). Each notice will include the name and address of the successor Rights Agent. If Rallybio fails to send such notice within ten (10) Business Days after acceptance of appointment by a successor Rights Agent, the successor Rights Agent will cause the notice to be mailed at the expense of Rallybio.

(e) Notwithstanding anything to the contrary in this [Section 3.3](#), unless consented to in writing by the Acting Holders, Rallybio will not appoint as a successor Rights Agent any Person that is not a stock transfer agent of national reputation or the corporate trust department of a commercial bank.

(f) The Rights Agent will reasonably cooperate with Rallybio and any successor Rights Agent in connection with the transition of the duties and responsibilities of the Rights Agent to the successor Rights Agent, including the transfer of all relevant data, including the CVR Register, to the successor Rights Agent; but such predecessor Rights Agent shall not be required to make any additional expenditure or assume any additional liability in connection with the foregoing.

3.4 Acceptance of Appointment by Successor. Every successor Rights Agent appointed hereunder will, at or prior to such appointment, execute, acknowledge and deliver to Rallybio and to the resigning or removed Rights Agent an instrument accepting such appointment and a counterpart of this Agreement, and such successor Rights Agent, without any further act, deed or conveyance, will become vested with all the rights, powers, trusts and duties of the Rights Agent; *provided*, that upon the request of Rallybio or the successor Rights Agent, such resigning or removed Rights Agent will execute and deliver an instrument transferring to such successor Rights Agent all the rights, powers and trusts of such resigning or removed Rights Agent.

ARTICLE 4 COVENANTS

4.1 Efforts. During the Disposition Period, Rallybio shall use commercially reasonable efforts to effect the Disposition of the Legacy Assets, if any, pursuant to one or more Disposition Agreements.

4.2 List of Holders. Rallybio will furnish or cause to be furnished to the Rights Agent, in such form as Rallybio receives from its transfer agent (or other agent performing similar services for Rallybio), the names and addresses of the Holders within thirty (30) days following the Closing Date.

4.3 Prohibited Actions. Unless approved by the Holder Representative, Rallybio shall not grant any lien, security interest, pledge or similar interest in: (a) any CVR Payments, or (b) any Legacy Assets during the Disposition Period, other than (i) pursuant to the terms of a Disposition Agreement or (ii) any such interest generally granted with respect to all assets of Rallybio and not specific to any of the Legacy Assets, and which do not prohibit the ability of Rallybio to complete a Disposition and, in connection therewith, to deliver title to the Legacy Assets to the purchaser thereof, free and clear of such interest.

4.4 Audit Rights. Until the Termination Date and for a period of one year thereafter, Rallybio shall keep, and shall require its Affiliates to keep, complete and accurate books and records that may be necessary for the purpose of calculating the CVR Payments payable under this Agreement. At the request of the Acting Holders, the Holder Representative shall have the right to appoint an independent accounting firm to perform, on behalf of all Holders, an inspection of such books and records for the sole purpose of determining the CVR Payments payable hereunder, subject to the prior execution and delivery of a reasonable confidentiality agreement by such accounting firm. Upon at least ten (10) Business Days' prior written notice from the Holder Representative, such audit shall be conducted during regular business hours in such a manner as to not unnecessarily interfere with Rallybio's normal business activities. Such audit shall not be performed more frequently than once per calendar year. If the audit reveals an overpayment, Rallybio shall be entitled to withhold such amount from future payments of CVR Payments. If the audit reveals an underpayment, Rallybio shall promptly (and in any event within thirty (30) days) remit such amount to the Rights Agent for distribution to the Holders. Rallybio shall pay the audit costs if the audit reveals an underpayment; otherwise, the Acting Holders requesting the audit shall bear such audit expenses.

ARTICLE 5 AMENDMENTS

5.1 Amendments Without Consent of Holders or Rights Agent.

(a) Rallybio, at any time and from time to time, may enter into one or more amendments to this Agreement for any of the following purposes, without the consent of any of the Holders or the Rights Agent (subject to [Section 5.3](#)), *provided*, that if any such amendment(s) (individually or the aggregate) impairs or adversely affects the rights of the Holders hereunder, such amendment shall also require the prior written consent of the Holders in accordance with [Section 5.2](#):

(i) to evidence the appointment of another Person as a successor Rights Agent and the assumption by any successor Rights Agent of the covenants and obligations of the Rights Agent herein in accordance with the provisions hereof;

(ii) to evidence the succession of another Person to Rallybio and the assumption of any such successor of the covenants of Rallybio outlined herein in a transaction contemplated by [Section 6.6](#);

(iii) to add to the covenants of Rallybio such further covenants, restrictions, conditions or provisions for the protection and benefit of the Holders; *provided*, that in each case, such provisions shall not adversely affect the interests of the Holders;

(iv) to cure any ambiguity, to correct or supplement any provision in this Agreement that may be defective or inconsistent with any other provision in this Agreement, or to make any other provisions with respect to matters or questions arising under this Agreement; *provided*, that in each case, such provisions shall not adversely affect the interests of the Holders;

(v) as may be necessary to ensure that CVRs are not subject to registration under the Securities Act or the Securities Exchange Act of 1934, as amended, and the rules and regulations made thereunder, or any applicable state securities or “blue sky” laws;

(vi) as may be necessary to ensure that Rallybio is not required to produce a prospectus or an admission document in order to comply with applicable Law;

(vii) to cancel CVRs (i) in the event that any Holder has abandoned its rights in accordance with [Section 2.5](#) or (ii) following a transfer of such CVRs to Rallybio or its Affiliates in accordance with [Section 2.2](#) and [Section 2.6](#);

(viii) as may be necessary to ensure that Rallybio complies with applicable Law; or

(ix) to effect any other amendment to this Agreement that would provide any additional rights or benefits to the Holders or that does not adversely affect the legal rights under this Agreement of any such Holder.

(b) Promptly after the execution by Rallybio of any amendment pursuant to this [Section 5.1](#), Rallybio will (or will cause the Rights Agent to) notify the Holders in general terms of the substance of such amendment in accordance with [Section 6.2](#).

5.2 Amendments with Consent of Holders.

(a) In addition to any amendments to this Agreement that may be made by Rallybio without the consent of any Holder or the Rights Agent pursuant to [Section 5.1](#), with the consent of the Acting Holders, Rallybio and the Rights Agent may enter into one or more amendments to this Agreement for the purpose of adding, eliminating or amending any provisions of this Agreement, even if such addition, elimination or amendment is adverse to the interests of the Holders.

(b) Promptly after the execution by Rallybio and the Rights Agent of any amendment pursuant to the provisions of this [Section 5.2](#), Rallybio will (or will cause the Rights Agent to) notify the Holders in general terms of the substance of such amendment in accordance with [Section 6.2](#).

5.3 Effect of Amendments. Upon the execution of any amendment under this [Article 5](#), this Agreement will be modified in accordance therewith, such amendment will form a part of this Agreement for all purposes and every Holder will be bound thereby. Upon the delivery of a certificate from an appropriate officer of Rallybio which states that the proposed supplement or amendment is in compliance with the terms of this [Article 5](#), the Rights Agent shall execute such supplement or amendment. Notwithstanding anything in this Agreement to the contrary, the Rights Agent shall not be required to execute any supplement or amendment to this Agreement that it has determined would adversely affect its own rights, duties, obligations or immunities under this Agreement. No supplement, amendment or other modification to this Agreement shall be effective unless duly executed by the Rights Agent.

ARTICLE 6

MISCELLANEOUS

6.1 Notices to Rights Agent and to Rallybio. All notices, requests and other communications (each, a “*Notice*”) to any party hereunder shall be in writing and delivered personally, by FedEx or other internationally

recognized overnight courier service or, except with respect to any Notice from any Holder, by email. Such Notice shall be deemed given (a) on the date of delivery, if delivered in person or by e-mail (upon confirmation of receipt) prior to 5:00 p.m. in the time zone of the receiving party or on the next Business Day, if delivered after 5:00 p.m. in the time zone of the receiving party or (b) on the first Business Day following the date of dispatch, if delivered by FedEx or by other internationally recognized overnight courier service (upon proof of delivery), addressed as follows:

if to the Rights Agent, to:

[•]
[•]
[•]
Attention: [•]
E-mail: [•]

if to Rallybio, to:

[•]
[•]
[•]
Attention: [•]
E-mail: [•]

or to such other address as such party may hereafter specify for the purpose by notice to the other parties hereto.

6.2 Notice to Holders. All Notices required to be given to the Holders will be given (unless otherwise herein expressly provided) in writing and mailed, first-class postage prepaid, to each Holder at such Holder's address as set forth in the CVR Register, not later than the latest date, and not earlier than the earliest date, prescribed for the sending of such Notice, if any, and will be deemed given on the date of mailing. In any case where notice to the Holders is given by mail, neither the failure to mail such Notice, nor any defect in any Notice so mailed, to any particular Holder will affect the sufficiency of such Notice with respect to other Holders.

6.3 Entire Agreement. As between Rallybio and the Rights Agent, this Agreement constitutes the entire agreement between the parties with respect to the subject matter of this Agreement, notwithstanding the reference to any other agreement herein, and supersedes all prior agreements and understandings, both written and oral, among or between any of the parties with respect to the subject matter of this Agreement.

6.4 Successor Substituted. Upon any consolidation of or merger by Rallybio with or into any other Person, or any conveyance, transfer or lease of substantially all of the properties and assets of Rallybio to any Person, the surviving Person or acquiring Person (as applicable) shall succeed to, and be substituted for, and may exercise every right and power of, and shall assume all of the obligations of Rallybio under this Agreement with the same effect as if such Person had been named as Rallybio herein.

6.5 Merger or Consolidation or Change of Name of Rights Agent. Any Person into which the Rights Agent or any successor Rights Agent may be merged or with which it may be consolidated, or Person resulting from any merger or consolidation to which the Rights Agent or any successor Rights Agent shall be a party, or any Person succeeding to the stock transfer or other shareholder services business of the Rights Agent or any successor Rights Agent, shall be the successor to the Rights Agent under this Agreement without the execution or filing of any paper or any further act on the part of any of the parties hereto, *provided*, that such Person would be eligible for appointment as a successor Rights Agent under the provisions of [Section 3.3](#). The purchase of all or substantially all of the Rights Agent's assets employed in the performance of transfer agent activities shall be deemed a merger or consolidation for purposes of this [Section 6.5](#).

6.6 Successors and Assigns. This Agreement will be binding upon, and will be enforceable by and inure solely to the benefit of, the Holders, Rallybio and the Rights Agent and their respective successors and assigns.

Except for assignments to its Affiliates and as provided in [Section 6.5](#), the Rights Agent may not assign this Agreement without Rallybio's prior written consent. Subject to [Section 5.1\(a\)\(ii\)](#) and [Section 6.4](#) hereof, Rallybio may assign, in its sole discretion and without the consent of any other party, any or all of its rights, interests and obligations hereunder to one or more of its Affiliates or to any Person with whom Rallybio is merged or consolidated, or any entity resulting from any merger or consolidation to which Rallybio shall be a party (each, an "**Assignee**"); *provided, however*, that in connection with any assignment to an Assignee, Rallybio shall agree to remain liable for the performance by Rallybio of its obligations hereunder (to the extent Rallybio exists following such assignment). Rallybio or an Assignee may not otherwise assign this Agreement without the prior consent of the Acting Holders (such consent not to be unreasonably withheld, conditioned or delayed). Any attempted assignment of this Agreement in violation of this [Section 6.6](#) will be void *ab initio* and of no effect.

6.7 Benefits of Agreement; Action by Acting Holders. Nothing in this Agreement, express or implied, will give to any Person (other than Rallybio, the Rights Agent, the Holder Representative, the Holders and their respective permitted successors and assigns hereunder) any benefit or any legal or equitable right, remedy or claim under this Agreement or under any covenant or provision herein contained, all such covenants and provisions being for the sole benefit of Rallybio, the Rights Agent, the Holders and their permitted successors and assigns. The Holders are intended third-party beneficiaries under this Agreement, but will have no rights hereunder except as are expressly set forth herein. Except for the rights of the Rights Agent set forth herein, the Acting Holders will have the sole right, on behalf of all Holders, by virtue of or under any provision of this Agreement, to institute any action or proceeding at law or in equity with respect to the performance of this Agreement by Rallybio, and no individual Holder or other group of Holders will be entitled to exercise such rights.

6.8 Governing Law. This Agreement and the CVRs will be governed by, and construed in accordance with, the Laws of the State of Delaware, (without giving effect to any rule or principle that would result in application of the law of any other jurisdiction) and for all purposes shall be governed by and construed in accordance with the laws of such State applicable to contracts to be made and performed entirely within such State.

6.9 Jurisdiction. In any action or proceeding between any of the parties hereto arising out of or relating to this Agreement or any of the transactions contemplated hereby, each of the parties hereto: (a) irrevocably and unconditionally consents and submits to the exclusive jurisdiction and venue of the Court of Chancery of the State of Delaware, or, if under applicable Law exclusive jurisdiction is vested in the Federal courts, the United States District Court for the District of Delaware (and appellate courts thereof); (b) agrees that all claims in respect of such action or proceeding shall be heard and determined exclusively in accordance with clause (a) of this [Section 6.9](#); (c) waives any objection to laying venue in any such action or proceeding in such courts; (d) waives any objection that such courts are an inconvenient forum or do not have jurisdiction over any party; and (e) agrees that service of process upon such party in any such action or proceeding shall be effective if notice is given in accordance with [Section 6.1](#) or [Section 6.2](#) of this Agreement.

6.10 Waiver of Jury Trial. Each of the parties hereto hereby irrevocably waives any and all right to trial by jury in any legal proceeding arising out of or related to this Agreement or the transactions contemplated hereby. Each party certifies and acknowledges that (i) no representative, agent or attorney of any other party has represented, expressly or otherwise, that such other party would not, in the event of litigation, seek to enforce the foregoing waiver, (ii) each party understands and has considered the implication of this waiver, (iii) each party makes this waiver voluntarily, and (iv) each party has been induced to enter into this agreement by, among other things, the mutual waivers and certifications in this [Section 6.10](#).

6.11 Severability Clause. In the event that any provision of this Agreement, or the application of any such provision to any Person or set of circumstances, is for any reason determined to be invalid, unlawful, void or unenforceable to any extent, the remainder of this Agreement, and the application of such provision to Persons or circumstances other than those as to which it is determined to be invalid, unlawful, void or unenforceable, will not be impaired or otherwise affected and will continue to be valid and enforceable to the fullest extent permitted

by applicable Law. Upon such a determination, the parties hereto will negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible; *provided, however*, that if an excluded provision shall affect the rights, immunities, liabilities, duties or obligations of the Rights Agent, the Rights Agent shall be entitled to resign immediately upon written notice to Rallybio.

6.12 Counterparts; Effectiveness. This Agreement may be signed in any number of counterparts, each of which will be deemed an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Agreement or any counterpart may be executed and delivered by facsimile copies or delivered by electronic communications by portable document format (.pdf), each of which shall be deemed an original. This Agreement will become effective when each party hereto will have received a counterpart hereof signed by the other party hereto. Until and unless each party has received a counterpart hereof signed by the other party hereto, this Agreement will have no effect and no party will have any right or obligation hereunder (whether by virtue of any oral or written agreement or any other communication).

6.13 Termination. This Agreement will automatically terminate and be of no further force or effect and, except as provided in [Section 3.2](#), the parties hereto will have no further liability hereunder, and the CVRs will expire without any consideration or compensation therefor upon the earliest to occur of: (a) the expiration of the CVR Term, (b) the expiration of all payment obligations to Rallybio under the Disposition Agreements and/or the Membership Interest Purchase Agreement, and (c) the delivery of a written notice of termination duly executed by Rallybio and the Holder Representative (such date, the “**Termination Date**”). The termination of this Agreement will not affect or limit the right of Holders to receive the CVR Payments under [Section 2.3\(a\)](#) to the extent earned prior to the termination of this Agreement, and the provisions applicable thereto will survive the expiration or termination of this Agreement.

6.14 Force Majeure. Notwithstanding anything to the contrary contained herein, none of the Rights Agent, Rallybio or any of its Subsidiaries (except as it relates to the obligations of Rallybio under [Article 3](#)) will be liable for any delays or failures in performance resulting from acts beyond its reasonable control including acts of God, terrorist acts, shortage of supply, breakdowns or malfunctions, interruptions or malfunctions of computer facilities, or loss of data due to power failures or mechanical difficulties with information storage or retrieval systems, labor difficulties, war or civil unrest.

6.15 Construction.

(a) As used in this Agreement, the words “include” and “including,” and variations thereof, will not be deemed to be terms of limitation, but rather will be deemed to be followed by the words “without limitation.”

(b) The headings contained in this Agreement are for convenience of reference only, will not be deemed to be a part of this Agreement and will not be referred to in connection with the construction or interpretation of this Agreement.

(c) Any reference in this Agreement to a date or time shall be deemed to be such date or time in New York City, United States, unless otherwise specified. The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties and no presumption or burden of proof shall arise favoring or disfavoring any Person by virtue of the authorship of any provision of this Agreement.

Signature Page Follows

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be executed as of the day and year first above written.

RALLYBIO CORPORATION

By: _____
Name:
Title:

[•]

By: _____
Name:
Title:

SIGNATURE PAGE TO CONTINGENT VALUE RIGHTS AGREEMENT

SUBSCRIPTION AGREEMENT

THIS SUBSCRIPTION AGREEMENT (this “**Agreement**”) is made and entered into as of March 1, 2026 (the “**Effective Date**”) by and among Candid Therapeutics, Inc., a Delaware corporation (the “**Company**”), and each of the purchasers listed on the signature pages hereto, severally and not jointly (each a “**Purchaser**” and together the “**Purchasers**”). Certain terms used and not otherwise defined in the text of this Agreement are defined in [Section 7](#) hereof.

RECITALS

WHEREAS, the Company is party to that certain Agreement and Plan of Merger and Reorganization by and among the Company, Farmington Merger Sub, Inc., a Delaware corporation (“**Merger Sub**”), and Rallybio Corporation, a Delaware corporation (“**Parent**”), dated on or about the date hereof (the “**Merger Agreement**”), pursuant to which the Company will merge with and into Merger Sub and become a wholly-owned subsidiary of Parent (the “**Merger**”);

WHEREAS, the Company desires to sell to the Purchasers, and the Purchasers, severally and not jointly, desire to purchase from the Company, an aggregate amount equal to \$505,508,000 of shares of the Company’s Common Stock, par value \$0.0001 per share (the “**Common Stock**”) in accordance with the terms and provisions of this Agreement, immediately prior to, but subject to, the closing of the Merger; and

WHEREAS, the Company and each Purchaser is executing and delivering this Agreement in reliance upon the exemption from securities registration afforded by Section 4(a)(2) of the 1933 Act and Rule 506 of Regulation D promulgated under the 1933 Act.

NOW, THEREFORE, in consideration of the foregoing and the mutual representations, warranties and covenants herein contained, the parties hereto hereby agree as follows:

SECTION 1. [Authorization of Securities.](#)

1.01 The Company has authorized the sale and issuance of shares of Common Stock on the terms and subject to the conditions set forth in this Agreement. The shares of Common Stock sold hereunder at the Closing (as defined below) shall be referred to as the “**Shares**” or “**Securities**”.

SECTION 2. [Sale and Purchase of the Securities.](#)

2.01 Upon the terms and subject to the conditions contained herein, the Company agrees to sell and issue to each Purchaser, and each Purchaser agrees, severally and not jointly, to purchase from the Company, at a closing to take place remotely via exchange of executed documents (the “**Closing**” and the date of the Closing, the “**Closing Date**”) to occur immediately prior to the Effective Time (as such term is defined in the Merger Agreement), that number of Shares (the “**Closing Shares**”) equal to (rounded down to the nearest whole Share) (i) the aggregate commitment amount set forth under the heading “**Commitment Amount**” and opposite such Purchaser’s name on the Schedule of Purchasers set forth on [Schedule I](#) (the “**Commitment Amount**”) divided by (ii) the Purchase Price.

2.02 At or prior to the Closing, each Purchaser will pay the aggregate subscription amount equal to the product of (A) the aggregate Closing Shares purchased under [Section 2.01](#), multiplied by (B) the Purchase Price (the “**Subscription Amount**”) by wire transfer of immediately available funds (a “**Wire**”) in accordance with wire instructions provided by the Company to the Purchasers at least five (5) Business Days prior to the Closing (the “**Wire Instructions Notice**”); provided, for the avoidance of doubt, that no Purchaser shall be required to fund prior to the date on which the conditions to the Purchaser’s obligations set forth in [Section 6.01](#) below are

satisfied (other than those conditions which, by their nature, are to be satisfied at the closing of the transactions contemplated by the Merger Agreement and the Closing). If so requested by the Company in the Wire Instructions Notice and agreed by the applicable Purchaser, the Subscription Amount of each Purchaser shall be paid into an escrow fund or trust account designated by the Company in writing (the “**Escrow Account**”) to be released to the Company only upon satisfaction of each of the closing conditions set forth in [Section 6](#) below. In the event the Closing does not occur within three (3) Business Days of the Closing Date specified in the Wire Instructions Notice, unless otherwise agreed by the Company and such Purchaser, the Company shall, or shall cause the escrow agent for the Escrow Account to, promptly (but not later than two (2) Business Days thereafter) return the aggregate Purchase Price to such Purchaser by wire transfer of U.S. dollars in immediately available funds to the account specified by such Purchaser. On the Closing Date, the Company will deliver, against payment by each Purchaser of its Subscription Amount, the Closing Shares in book-entry form, free and clear of all restrictive and other legends (except as expressly provided in [Section 3.10](#) hereof), and shall provide evidence of such issuance from the Company’s transfer agent as of the Closing Date to each Purchaser. Notwithstanding anything to the contrary in this Agreement, (i) each Purchaser acknowledges that, as may be agreed among the Company and one or more Purchasers, such Purchasers may not be required to fund their respective Subscription Amounts until such Purchasers receive evidence of the issuance of the Closing Shares to such Purchaser (or its nominee in accordance with its delivery instructions) in form and substance reasonably acceptable to such Purchaser and such Purchasers shall not be required to fund their respective Subscription Amounts into the Escrow Account and (ii) the Schedule of Purchasers may be amended by the Company and the affected Purchaser up to three (3) Business Days prior to the Closing, without the consent of the other parties hereto, to reflect the Subscription Amount paid by each Purchaser at the Closing and the actual number of Shares purchased by each Purchaser at the Closing, provided that the Company shall provide to Purchasers such updated Schedule of Purchasers. For the avoidance of doubt, an amendment to this Agreement after the Effective Date allowing for the sale of additional Securities (“**Additional Securities**”) to one or more Persons (whether or not an existing Purchaser) shall only require the approval of the Company and the Purchaser Majority; provided that the price paid for such Additional Securities is equal to or greater than the Purchase Price. Subsequent to Closing, upon request of a Purchaser, the Company shall use commercially reasonable efforts to deliver, or cause to be delivered, to Purchaser within two (2) Business Days of such request a book-entry statement of account from Parent’s transfer agent reflecting the issuance of shares of Parent Common Stock (as defined in the Merger Agreement) received in the Merger in exchange for the Shares.

SECTION 3. Representations and Warranties of the Purchasers. Each Purchaser, severally and not jointly, represents and warrants to the Company that:

3.01 Organization. The Purchaser is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization and has the requisite power and authority to own, lease and operate its properties and to carry on its business as now conducted.

3.02 Validity. The execution, delivery and performance of this Agreement and the consummation by the Purchaser of the transactions contemplated hereby have been duly authorized by all necessary corporate, partnership, limited liability or similar actions, as applicable, on the part of such Purchaser. This Agreement has been duly executed and delivered by the Purchaser and, assuming that this Agreement constitutes the valid and binding obligation of the Company, constitutes a valid and binding obligation of the Purchaser, enforceable against it in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, and any other laws of general application affecting enforcement of creditors’ rights generally, and as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies.

3.03 No Conflicts. The execution, delivery and performance of this Agreement by the Purchaser, the purchase of the Securities in accordance with their terms and the consummation by the Purchaser of the other transactions contemplated hereby will not conflict with or result in any violation of, breach or default by such Purchaser (with or without notice or lapse of time, or both) under, conflict with, or give rise to a right of termination, cancellation or acceleration of any obligation, a change of control right or to a loss of a material

benefit under (i) any provision of the organizational documents of the Purchaser, including, without limitation, its incorporation or formation papers, bylaws, indenture of trust or partnership or operating agreement, as may be applicable or (ii) any agreement or instrument, undertaking, credit facility, franchise, license, judgment, order, ruling, statute, law, ordinance, rule or regulations, applicable to such Purchaser or its respective properties or assets, except, in the case of clause (ii), as would not, individually or in the aggregate, be reasonably expected to materially delay or hinder the ability of the Purchaser to perform its obligations under this Agreement.

3.04 Brokers. There is no broker, investment banker, financial advisor, finder or other person which has been retained by the Purchaser who is entitled to any fee or commission for which the Company will be liable in connection with the execution of this Agreement and the consummation of the transactions contemplated hereby.

3.05 Investment Representations and Warranties. The Purchaser hereby represents and warrants that, it (i) as of the date of this Agreement is a “qualified institutional buyer” (as defined in Rule 144A under the 1933 Act) or an institutional “accredited investor” as that term is defined in Rule 501(a) under Regulation D promulgated pursuant to the 1933 Act; or (ii) if an individual, is an “accredited investor” as that term is defined in Rule 501(a) of Regulation D of the 1933 Act and has such knowledge and experience in financial and business matters as to be able to protect its own interests in connection with an investment in the Securities. The Purchaser further represents and warrants that (x) it is capable of evaluating the merits and risk of such investment, and (y) that it has not been organized for the purpose of acquiring the Securities and is an “institutional account” as defined by FINRA Rule 4512(c). The Purchaser understands and agrees that the offering and sale of the Securities has not been registered under the 1933 Act or any applicable state securities laws and is being made in reliance upon federal and state exemptions for transactions not involving a public offering which depend upon, among other things, the bona fide nature of the investment intent and the accuracy of the Purchaser’s representations as expressed herein.

3.06 Acquisition for Own Account. The Purchaser is acquiring the Securities for its own account for investment and not with a view towards distribution in a manner which would violate the 1933 Act or any applicable state or other securities laws. The Purchaser has not been formed for the specific purpose of acquiring the Securities, to the extent such fact is required for the purposes of qualifying as an accredited investor.

3.07 No General Solicitation. The Purchaser is not purchasing the Securities as a result of any advertisement, article, notice or other communication regarding the Securities published in any newspaper, magazine or similar media or broadcast over television, radio or the internet or presented at any seminar or any other general solicitation or general advertisement. The purchase of the Securities by the Purchaser has not been solicited by or through anyone other than the Company or, on the Company’s behalf, by Jefferies LLC, BofA Securities, Inc., TD Securities (USA), LLC, or Cantor Fitzgerald & Co. (collectively, the “**Placement Agents**”), who have been engaged as joint placement agents for the offering of the Securities.

3.08 Ability to Protect Its Own Interests and Bear Economic Risks. The Purchaser is a sophisticated institutional investor, has the capacity to protect its own interests in connection with the transactions contemplated by this Agreement, and has sufficient knowledge and experience in investing in investments similar to the Securities to properly evaluate the merits and risks of the investment in the Securities. The Purchaser is able to bear the economic and other risks of an investment in the Securities including but not limited to loss of the Purchaser’s entire investment therein.

3.09 Disqualification Event. To the extent the Purchaser is one of the covered persons identified in Rule 506(d)(1), the Purchaser represents that no disqualifying event described in Rule 506(d)(1)(i-viii) of the 1933 Act (a “**Disqualification Event**”) is applicable to the Purchaser or any of its Rule 506(d) Related Parties (as defined below), except, if applicable, for a Disqualification Event as to which Rule 506(d)(2)(ii) or (iii) or (d) (3) is applicable. The Purchaser hereby agrees that it shall notify the Company promptly in writing in the event a Disqualification Event becomes applicable to the Purchaser or any of its Rule 506(d) Related Parties, except, if

applicable, for a Disqualification Event as to which Rule 506(d)(2)(ii) or (iii) or (d)(3) is applicable. For purposes of this Section, “**Rule 506(d) Related Party**” means a person or entity that is a beneficial owner of the Purchaser’s securities for purposes of Rule 506(d) of the 1933 Act.

3.10 **Restricted Securities.** Such Purchaser acknowledges and agrees that the Securities are being offered in a transaction not involving any public offering within the meaning of the 1933 Act, and such Purchaser understands that the Securities have not been registered under the 1933 Act, by reason of their issuance by the Company in a transaction exempt from the registration requirements of the 1933 Act, and that the Securities must continue to be held and may not be offered, resold, transferred, pledged or otherwise disposed of by such Purchaser unless a subsequent disposition thereof is registered under the 1933 Act or is exempt from such registration and in each case in accordance with any applicable securities laws of any state of the United States. Such Purchaser understands that the exemptions from registration afforded by Rule 144 (the provisions of which are known to it) promulgated under the 1933 Act depend on the satisfaction of various conditions including, but not limited to, the time and manner of sale, the holding period and on requirements relating to the Company which are outside of such Purchaser’s control and which the Company may not be able to satisfy, and that, if applicable, Rule 144 may afford the basis for sales only in limited amounts. Such Purchaser acknowledges and agrees that it has been advised to consult legal counsel prior to making any offer, resale, transfer, pledge or disposition of any of the Securities. Such Purchaser acknowledges that no federal or state agency has passed upon or endorsed the merits of the offering of the Securities or made any findings or determination as to the fairness of this investment.

Each Purchaser understands that any certificates or book entry notations evidencing the Securities may bear one or more legends in substantially the following form and substance:

“THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. THE SECURITIES HAVE BEEN ACQUIRED FOR INVESTMENT AND MAY NOT BE SOLD, TRANSFERRED OR ASSIGNED UNLESS (I) SUCH SECURITIES HAVE BEEN REGISTERED FOR SALE PURSUANT TO THE SECURITIES ACT, (II) SUCH SECURITIES MAY BE SOLD PURSUANT TO RULE 144, (III) THE COMPANY HAS RECEIVED AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO IT THAT SUCH TRANSFER MAY LAWFULLY BE MADE WITHOUT REGISTRATION UNDER THE SECURITIES ACT, OR (IV) THE SECURITIES ARE TRANSFERRED WITHOUT CONSIDERATION TO AN AFFILIATE OF SUCH HOLDER OR A CUSTODIAL NOMINEE (WHICH FOR THE AVOIDANCE OF DOUBT SHALL REQUIRE NEITHER CONSENT NOR THE DELIVERY OF AN OPINION). NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES.”

In addition, the Securities may contain a legend regarding affiliate status of the Purchaser, if applicable, provided that the Company will notify the Purchaser in advance of Closing if such legend is to be placed on its Securities.

3.11 **Review and Advisors.** The Purchaser has had the opportunity to review with the Purchaser’s own tax advisors the U.S. federal, state and local and non-U.S. tax consequences of its purchase of the Securities set forth opposite such Purchaser’s name on the Schedule of Purchasers and the transactions contemplated by this Agreement. The Purchaser is relying solely on the Purchaser’s own determination as to tax consequences, and on the Purchaser’s own sources of information and advisors with respect to all tax matters, and not on any statements or representations of the Company (other than the representations and warranties in this Agreement), the Placement Agents or any of their respective agents, and understands that the Purchaser (and not the Company) shall be responsible for the Purchaser’s own tax liability that may arise as a result of the transactions contemplated by this Agreement. Based on such information as the Purchaser deemed appropriate and without reliance upon the Placement Agents, the Purchaser has independently made its own analysis and decision to

purchase the Securities. The Purchaser has (i) had the opportunity to ask questions of and receive answers directly with respect to its purchase of Securities, and (ii) conducted and completed its own independent due diligence with respect to the purchase of Securities.

3.12 Residency. Such Purchaser's residence (if an individual) or offices in which its investment decision with respect to the Securities was made (if an entity) are located at the address immediately below such Purchaser's name on the Schedule of Purchasers, or as otherwise noted on the Schedule of Purchasers.

3.13 Disclosure of Information. The Purchaser has had an opportunity to discuss the Company's business, management, financial affairs and the terms and conditions of the offering of the Securities and the terms of the Merger with the Company's management. The foregoing, however, does not limit or modify the representations and warranties of the Company in Section 4 of this Agreement or the right of the Purchasers to rely thereon.

SECTION 4. Representations and Warranties by the Company. The Company represents and warrants to the Purchasers as of the date of this Agreement and as of the Closing Date (except for the representations and warranties that speak as of a specific date, which shall be made as of such date) that:

4.01 Organization and Good Standing. The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware, has the requisite power and authority to own, lease and operate its properties and to carry on its business as now conducted and is qualified to do business in each jurisdiction in which the character of its properties or the nature of its business requires such qualification, except where such failure to be in good standing or to have such power and authority or to so qualify would not reasonably be expected to have a Material Adverse Effect. Each of the Company's subsidiaries is (i) duly incorporated and validly existing and in good standing under the laws of the jurisdiction of its incorporation and has the requisite power and authority to carry on its business as now conducted and to own or lease its properties and (ii) qualified to do business as a foreign corporation and in good standing in each jurisdiction in which such qualification is required, except in each case as would not reasonably be expected to have a Material Adverse Effect. "**Material Adverse Effect**" means any change, condition, event, circumstance, occurrence, result, state of facts or development that has or would reasonably be expected to have a materially adverse effect on (a) the business, condition (financial or otherwise), assets, operations, results of operations, stockholders' equity or financial performance of the Company and its subsidiaries, taken as a whole or (b) the Company's ability to consummate the transactions contemplated hereby.

4.02 Subsidiaries. Except for Shanghai Tandi Biopharmaceutical Technology Co., Ltd, a wholly-owned subsidiary, the Company does not have any subsidiaries and does not otherwise own any shares of capital stock or any interest in any other Person. The Company does not control directly or indirectly or have any direct or indirect equity participation or similar interest in any corporation, partnership, limited liability company, joint venture, trust or other business association or entity.

4.03 Validity; Valid Issuance of Securities. The Company has all requisite corporate power and authority to enter into this Agreement and to consummate the transactions contemplated by this Agreement, subject only to (i) the adoption of the Merger Agreement in accordance with the terms thereof by the Company's stockholders under the Delaware General Corporation Law and the Company's certificate of incorporation and (ii) the filing of an amendment to the Company's certificate of incorporation. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated by this Agreement by the Company have been duly authorized by all necessary corporate action on the part of the Company. This Agreement has been duly executed and delivered by the Company and, assuming the due authorization, execution and delivery by each Purchaser, this Agreement constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, and any other laws of general application affecting enforcement of creditors' rights generally, and as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies. The Securities are duly authorized and,

when issued, sold and delivered in accordance with the terms and for the consideration set forth in this Agreement, will be validly issued, fully paid and nonassessable and free and clear of any liens or other restrictions, other than restrictions on transfer under applicable state and federal securities or such restrictions as the Purchaser has agreed to in writing with the Company, and will not have been issued in violation of or subject to any preemptive or similar rights created under the Company's certificate of incorporation, as amended by the certificate of amendment to be filed immediately prior to the Closing, or bylaws or the Delaware General Corporation Law. All of the issued and outstanding shares of capital stock of the Company have been issued in compliance in all material respects with applicable federal and state securities laws.

4.04 Governmental Consents and Filings. Assuming the accuracy of the representations made by the Purchasers in [Section 3](#) hereof and except as set forth in the Merger Agreement and the filing of the certificate of amendment to the Company's certificate of incorporation, no material consent, approval, order or authorization of, or registration, qualification, designation, declaration or filing with, any Governmental Entity (as defined below) is required on the part of the Company in connection with the consummation of the transactions contemplated by this Agreement.

4.05 Absence of Violations, Defaults and Conflicts. Neither the Company nor any of its subsidiaries is (i) in violation of its charter, bylaws or similar organizational document, (ii) in default in the performance or observance of any obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, deed of trust, loan or credit agreement, note, lease or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which it or any of them may be bound or to which any of the properties or assets of the Company or any subsidiary is subject (collectively, "**Agreements and Instruments**"), except for such defaults that would not, singly or in the aggregate, result in a Material Adverse Effect, or (iii) in violation of any law, statute, rule, regulation, judgment, order, writ or decree of any arbitrator, court, governmental body, regulatory body, administrative agency or other authority, body or agency having jurisdiction over the Company or any of its subsidiaries or any of their respective properties, assets or operations (each, a "**Governmental Entity**"), except for such violations that would not, singly or in the aggregate, result in a Material Adverse Effect. The execution, delivery and the performance of this Agreement and the consummation of the transactions contemplated herein (including the issuance and sale of the Securities) and compliance by the Company with its obligations hereunder do not and will not, whether with or without the giving of notice or passage of time or both, (1) conflict with or constitute a breach of, or default under, or result in the creation or imposition of any lien, charge or encumbrance upon any properties or assets of the Company or any subsidiary pursuant to, the Agreements and Instruments, (2) result in any violation of the provisions of the certificate of incorporation, by-laws or similar organizational document of the Company or any of its subsidiaries or (3) result in any violation of any applicable law, statute, rule, regulation, judgment, order, writ or decree of any Governmental Entity, except in the case of clauses (1) and (3), for such violations as would not, singly or in the aggregate, have or reasonably be expected to have a Material Adverse Effect, or materially affect the validity of the Securities or the legal authority of the Company to perform its obligations hereunder and timely comply in all material respects with the terms of this Agreement or the Merger Agreement.

4.06 Absence of Proceedings. There is no action, suit, proceeding or, to the knowledge of the Company, inquiry or investigation, before or brought by any Governmental Entity now pending or, to the knowledge of the Company, threatened, against or affecting the Company or any of its subsidiaries, which would have or reasonably be expected to have a Material Adverse Effect or materially affect the validity of the Securities or the legal authority of the Company to perform its obligations hereunder and timely comply in all material respects with the terms of this Agreement or the Merger Agreement.

4.07 Possession of Licenses and Permits. The Company and its subsidiaries possess such permits, licenses, approvals, consents and other authorizations (collectively, "**Governmental Licenses**") issued by the appropriate Governmental Entities necessary to conduct the business now operated by them, except where the failure so to possess would not, singly or in the aggregate, have or reasonably be expected to have a Material Adverse Effect. The Company and its subsidiaries are in compliance with the terms and conditions of all

Governmental Licenses, except where the failure to comply would not, singly or in the aggregate, have or reasonably be expected to have a Material Adverse Effect. All of the Governmental Licenses are valid and in full force and effect, except when the invalidity of such Governmental Licenses or the failure of such Governmental Licenses to be in full force and effect would not, singly or in the aggregate, have or reasonably be expected to have a Material Adverse Effect. Neither the Company nor any of its subsidiaries has received any notice of proceedings relating to the revocation or modification of any Governmental Licenses which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would have or reasonably be expected to have a Material Adverse Effect.

4.08 Payment of Taxes. The Company and its subsidiaries have filed all federal, state and foreign income tax returns and other tax returns required to have been filed under applicable law (or extensions have been duly obtained) and have paid all taxes required to have been paid by them, except for those which are being contested in good faith and except where failure to file such tax returns or pay such taxes would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. No assessment in connection with U.S. federal income tax returns has been made against the Company that has not been paid or otherwise resolved in full. The Company and its subsidiaries have filed all tax returns that are required to have been filed by them through the date hereof or have timely requested extensions thereof pursuant to applicable law except insofar as the failure to file such returns would not have or reasonably be expected to have a Material Adverse Effect, and have paid all taxes due pursuant to such returns or all taxes due and payable pursuant to any assessment received by the Company and its subsidiaries, except for such taxes, if any, as are being contested in good faith and as to which adequate reserves have been established by the Company or its subsidiaries and except where the failure to pay such taxes would not have or reasonably be expected to have a Material Adverse Effect.

4.09 Insurance. The Company and the subsidiaries carry or are entitled to the benefits of insurance, with what the Company reasonably believes to be financially sound and reputable insurers, in such amounts and covering such risks as is customary for similarly situated companies and is adequate for the conduct of their respective businesses and the value of their respective properties and assets, and all such insurance is in full force and effect. The Company has no reason to believe that it or any of the subsidiaries will not be able (i) to renew its existing insurance coverage as and when such policies expire or (ii) to obtain comparable coverage from similar institutions as may be necessary or appropriate to conduct its business as now conducted and at a cost that would not have or reasonably be expected to have a Material Adverse Effect.

4.10 Investment Company Act. The Company is not required, and upon the issuance and sale of the Securities will not be required, to register as an “*investment company*” under the Investment Company Act of 1940, as amended.

4.11 Regulatory Matters. Except as would not, singly or in the aggregate, have or reasonably be expected to have a Material Adverse Effect: (i) neither the Company nor any of its subsidiaries has received any FDA Form 483, notice of adverse finding, warning letter or other correspondence or written notice from the U.S. Food and Drug Administration (“*FDA*”) or any other Governmental Entity alleging or asserting noncompliance with any Applicable Laws (as defined in clause (ii) below) or Authorizations (as defined in clause (iii) below); (ii) the Company and each of its subsidiaries is and has been in compliance with statutes, laws, ordinances, rules and regulations applicable to the Company and its subsidiaries for the ownership, testing, development, manufacture, packaging, processing, use, distribution, marketing, labeling, promotion, sale, offer for sale, storage, import, export or disposal of any product manufactured or distributed by the Company, including without limitation, the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. § 301, et seq., similar laws of other Governmental Entities and the regulations promulgated pursuant to such laws (collectively, “*Applicable Laws*”); (iii) the Company and each of its subsidiaries possesses all licenses, certificates, approvals, clearances, authorizations, permits and supplements or amendments thereto required by any such Applicable Laws and/or to carry on its businesses as now conducted (“*Authorizations*”) and such Authorizations are valid and in full force and effect and the Company is not in violation of any term of any such Authorizations; (iv) neither the Company nor any of its subsidiaries has received notice of any ongoing claim, action, suit, proceeding, hearing,

enforcement, investigation, arbitration or other action from any Governmental Entity or third party alleging that any product, operation or activity is in violation of any Applicable Laws or Authorizations or has any knowledge that any such Governmental Entity or third party is considering any such claim, litigation, arbitration, action, suit, investigation or proceeding, nor, to the Company's knowledge, has there been any noncompliance with or violation of any Applicable Laws by the Company or any of its subsidiaries that could reasonably be expected to require the issuance of any such communication or result in an investigation, corrective action, or enforcement action by FDA or similar Governmental Entity; (v) neither the Company nor any of its subsidiaries has received notice that any Governmental Entity has taken, is taking or intends to take action to limit, suspend, modify or revoke any Authorizations or has any knowledge that any such Governmental Entity is threatening or is considering such action; and (vi) the Company and each of its subsidiaries has filed, obtained, maintained or submitted all reports, documents, forms, notices, applications, records, claims, submissions and supplements or amendments as required by any Applicable Laws or Authorizations and that all such reports, documents, forms, notices, applications, records, claims, submissions and supplements or amendments were complete, correct and not misleading on the date filed (or were corrected or supplemented by a subsequent submission).

4.12 Compliance With Laws. The Company and its subsidiaries have complied with, are not in violation of, and have not received any written notice alleging any violation with respect to, any applicable provisions of any statute, law or regulation with respect to the conduct of its respective business, or the ownership or operation of its respective properties or assets, except for such violation that would not, singly or in the aggregate, result in a Material Adverse Effect.

4.13 Financial Statements. The Company has made available to each Purchaser its consolidated unaudited financial statements (including balance sheet, income statement and statement of cash flows) as of and for the fiscal year ended December 31, 2024 and its unaudited financial statements (including balance sheet, income statement and statement of cash flows) as of September 30, 2025 (the "**Balance Sheet Date**") and for the nine-month period ended on the Balance Sheet Date (collectively, the "**Financial Statements**"). The Financial Statements have been prepared in accordance with United States generally accepted accounting principles ("**GAAP**") applied on a consistent basis throughout the periods indicated, except that the unaudited Financial Statements may not contain all footnotes and other presentation items required by GAAP. The Financial Statements fairly present in all material respects the financial condition of the Company and its subsidiaries as of the dates, and for the periods, indicated therein, subject in the case of the unaudited Financial Statements to normal year-end audit adjustments. Since the Balance Sheet Date, the Company has not incurred any liabilities or obligations, contingent or otherwise, that would be, individually or in the aggregate, material to the Company, other than (a) liabilities incurred in the ordinary course of business; (b) obligations under contracts and commitments incurred in the ordinary course of business; (c) liabilities for transaction expenses incurred in connection with the transactions contemplated by this Agreement and the Merger Agreement; and (d) liabilities and obligations of a type or nature not required under GAAP to be reflected in the Financial Statements. The Company maintains and will continue to maintain a standard system of accounting established and administered to provide reasonable assurance that transactions are recorded as necessary to permit preparation of the financial statements of the Company in conformity with GAAP. Since the Balance Sheet Date, there has been no material change to any material contract or arrangement by which the Company or any of its subsidiaries is bound or to which any of their respective properties or assets is subject, nor any other event or condition of any character that, in each case, has had or would reasonably be expected to have a Material Adverse Effect.

4.14 Information Provided. The information to be supplied by or on behalf of the Company for inclusion or incorporation by reference in the Registration Statement (as defined in the Merger Agreement) or supplied by or on behalf of the Company for inclusion in any filing pursuant to Rule 165 and Rule 425 under the 1933 Act or Rule 14a-12 under the 1934 Act, including the Company Presentation (each a "**Regulation M-A Filing**"), shall not, at the time the Registration Statement or any such Regulation M-A Filing is filed with the Commission, at any time it is amended or supplemented or at the time the Registration Statement is declared effective by the Commission, as applicable, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein not misleading.

The information to be supplied by or on behalf of the Company for inclusion in the Registration Statement to be sent to the stockholders of Parent in connection with the meeting of Parent's stockholders (the "**Public Company Meeting**"), shall not, on the date the proxy statement/prospectus included in the Registration Statement is first mailed to stockholders of Parent, at the time of the Public Company Meeting or at the Effective Time, contain any statement that, at such time and in light of the circumstances under which it shall be made, is false or misleading with respect to any material fact, or omit to state any material fact necessary in order to make the statements made in the Registration Statement not false or misleading; or omit to state any material fact necessary to correct any statement in any earlier communication with respect to the solicitation of proxies for the Public Company Meeting that has become false or misleading.

4.15 No Additional Agreements. The Company does not have any agreement or understanding with any Purchaser with respect to the transactions contemplated by this Agreement other than as specified in this Agreement. For the avoidance of doubt, the Company has not entered into any other securities purchase agreement, side letter or other agreement with any other Person on or around the date hereof, that includes terms and conditions that are more favorable to such Person than to any Purchaser hereunder.

4.16 Private Placement. None of the Company, its subsidiaries or any person acting on its or their behalf, has, directly or indirectly, made any offers or sales of any security or solicited any offers to buy any security under any circumstances that would require registration under the 1933 Act of the Securities being sold pursuant to this Agreement. Assuming the accuracy of the representations and warranties of the Purchasers contained in Section 3 hereof, the issuance and sale of the Securities is exempt from registration under the 1933 Act.

4.17 No Disqualification Events. No Disqualification Event is applicable to the Company or, to the Company's knowledge, any Company Covered Person (as defined below), except for a Disqualification Event as to which Rule 506(d)(2)(ii) (iv) or (d)(3) is applicable. "**Company Covered Person**" means, with respect to the Company as an "**issuer**" for purposes of Rule 506 promulgated under the 1933 Act, any person listed in the first paragraph of Rule 506(d)(1). The Company is not aware of any Person (other than any Company Covered Person) that has been or will be paid (directly or indirectly) remuneration for solicitation of purchasers in connection with the sale of the Securities pursuant to this Agreement. The Company has complied, to the extent applicable, with its disclosure obligations under Rule 506(e).

4.18 No General Solicitation. Neither the Company nor, to the Company's knowledge, any person acting on behalf of the Company has offered or sold any of the Securities by any form of general solicitation or general advertising.

4.19 No Integrated Offering. Assuming the accuracy of the Purchasers' representations and warranties set forth in Section 3 hereof, none of the Company, its subsidiaries or, to the Company's knowledge, any of its or their Affiliates or any Person acting on its or their behalf has, directly or indirectly, at any time within the past six months, made any offers or sales of any Company security or solicited any offers to buy any security under circumstances that would (i) eliminate the availability of the exemption from registration under Regulation D under the 1933 Act in connection with the offer and sale by the Company of the Securities as contemplated hereby or (ii) cause the offering of the Securities pursuant to this Agreement to be integrated with prior offerings by the Company for purposes of any applicable law, regulation or stockholder approval provisions, including, without limitation, under the rules and regulations of any National Exchange on which any of the securities of the Company are listed or designated.

4.20 No Covered Foreign Person. Neither the Company nor any of its subsidiaries is a "covered foreign person," as that term is defined in 31 C.F.R. § 850.209. The consummation of the transactions contemplated by this Agreement will not result in the establishment of a covered foreign person or the engagement by a "person of a country of concern," as defined in 31 C.F.R. § 850.221, in a covered activity, as that term is defined in 31 C.F.R. § 850.208. Neither the Company nor any of its subsidiaries currently engage, or have plans to engage, directly or indirectly, in a covered activity.

4.21 Brokers. Other than the Placement Agents, there is no broker, investment banker, financial advisor, finder or other person which has been retained by or is authorized to act on behalf of the Company that is entitled to any fee or commission in connection with the execution of this Agreement and the consummation of the transactions contemplated hereby (excluding the Merger).

4.22 Additional Representations and Warranties. The Company's representations and warranties set forth in the Merger Agreement in Section 2.2 (Capital Stock), 2.12 (Benefit Plans), 2.13 (Labor and Employment Matters), 2.14 (Environmental Matters), 2.16 (Contracts), 2.18 (Properties), 2.19 (Intellectual Property), and 2.22 (Related Party Transactions) are hereby incorporated by reference and made by the Company, as qualified by the disclosures in the Company Disclosure Schedule (as defined in the Merger Agreement). As of the Effective Date, to the knowledge of the Company, the representations and warranties of Parent in the Merger Agreement and in any certificate or other writing delivered by Parent pursuant thereto are true and correct as though given in accordance with Section 9.1 of the Merger Agreement.

4.23 Reliance by Purchasers. The Company acknowledges that each Purchaser will rely upon the truth and accuracy of, and the Company's compliance with, the representations, warranties, agreements, acknowledgements and understandings of the Company set forth in this Agreement.

4.24 Lock-Up Agreements. The Company shall not consent or agree to amend, alter, waive or otherwise modify the terms of any of the Company Lock-Up Agreements (as defined in the Merger Agreement) without the consent of the Placement Agents and the Purchaser Majority.

4.25 Anti-Bribery and Anti-Money Laundering Laws; Sanctions. Each of the Company, its subsidiaries and, to the knowledge of the Company, any of their respective officers, directors, supervisors, managers, agents, or employees are and have at all times been in compliance with and its participation in the offering will not violate: (A) anti-bribery laws, including but not limited to, any applicable law, rule, or regulation of any locality, including but not limited to any law, rule, or regulation promulgated to implement the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, signed December 17, 1997, including the U.S. Foreign Corrupt Practices Act of 1977, as amended, the U.K. Bribery Act 2010, or any other law, rule or regulation of similar purposes and scope, (B) anti-money laundering laws, including, but not limited to, applicable federal, state, international, foreign or other laws, regulations or government guidance regarding anti-money laundering, including, without limitation, Title 18 U.S. Code sections 1956 and 1957, the Patriot Act, the Bank Secrecy Act, and international anti-money laundering principles or procedures by an intergovernmental group or organization, such as the Financial Action Task Force on Money Laundering, of which the United States is a member and with which designation the United States representative to the group or organization continues to concur, all as amended, and any executive order, directive, or regulation pursuant to the authority of any of the foregoing, or any orders or licenses issued thereunder, or (C) except as would not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect, any laws with respect to import and export control and economic sanctions, including the U.S. Export Administration Regulations, the U.S. International Traffic in Arms Regulations, and economic sanctions regulations and executive orders administered by the U.S. Department of the Treasury Office of Foreign Asset Control.

4.26 Clinical Data and Regulatory Compliance. Except as would not reasonably be expected to result in a Material Adverse Effect: (i) the preclinical tests and clinical trials, and other studies used to support regulatory approval (collectively, "studies") being conducted by the Company that are described in, or the results of which are referred to in, the Company Presentation were and, if still pending, are being conducted in all material respects in accordance with the protocols, procedures and controls designed and approved for such studies and with standard medical and scientific research procedures; (ii) each description of the results of such studies is accurate and complete in all material respects and fairly presents the data derived from such studies, and the Company and its Subsidiaries have no knowledge of any other studies the results of which are inconsistent with, or otherwise call into question, the results described or referred to in the Company Presentation; (iii) the Company and its Subsidiaries have made or will make all such filings and obtained all such approvals as may be required by the FDA or from any other U.S. federal, state or local government or foreign government or Drug

Regulatory Agency, or Institutional Review Board, each having jurisdiction over biopharmaceutical products (collectively, the “**Regulatory Agencies**”) for the conduct of its business as described in the Company Presentation; (iv) neither the Company nor any of its Subsidiaries has received any notice of, or correspondence from, any Regulatory Agency requiring the termination or suspension of or imposing any clinical hold on any clinical trials that are described or referred to in the Company Presentation; and (v) the Company and its Subsidiaries have each operated and currently are in compliance in all material respects with all applicable rules, regulations and policies of the Regulatory Agencies.

4.27 **Parent Reps.** As of the Effective Date and as of the Closing Date, to the knowledge of the Company, the representations and warranties of Parent contained in Section 3 of the Merger Agreement and in any certificate or other writing delivered by Parent pursuant thereto are true and correct as though given in accordance with Section 8.1 of the Merger Agreement.

SECTION 5. **Covenants.**

5.01 **Further Assurances.** At or prior to Closing, each party agrees to cooperate and generally do such reasonable acts and things in good faith as may be necessary to timely satisfy each of the conditions to be satisfied by it as provided in [Section 6](#) of this Agreement and effectuate the intents and purposes of this Agreement subject to the terms and conditions hereof.

5.02 **Disclosure of Transactions and Other Material Information.** The Company shall or shall cause Parent to, on or before 9:00 a.m., New York City time, on the Business Day immediately following the Effective Date (or if this Agreement is executed between midnight and 9:00 a.m., New York City time, on any Business Day, no later than 9:01 a.m. on the Effective Date), issue one or more press releases and/or file with the Commission a Current Report on Form 8-K (collectively, the “**Disclosure Document**” and the actual issuance or acceptance (as applicable) of the filing of such press releases or Current Report on Form 8-K, the “**Disclosure Time**”) disclosing all material terms of the transactions contemplated hereby and by the Merger Agreement and any other material nonpublic information that the Company, Parent or their respective officers, directors, employees, agents or any other person acting at the direction of the Company or Parent has provided to the Purchasers in connection with the transactions contemplated by this Agreement and by the Merger Agreement prior to the filing of the Disclosure Document. To the extent any Purchaser is named therein in accordance with the terms of this Agreement, the Company shall provide such Purchaser with a reasonable opportunity to review and provide comments on the draft of such Disclosure Document. The Company represents and warrants that, from and after the Disclosure Time, no Purchaser shall be in possession of any material, nonpublic information received from the Company, Parent or their respective officers, directors, employees, agents or other person acting at their direction. In addition, effective upon the Disclosure Time, the Company acknowledges and agrees that any and all confidentiality or similar obligations under any agreement relating to the subject matter hereof, whether written or oral, between the Company, any of its subsidiaries or any of their respective officers, directors, affiliates, employees or agents, including, without limitation, the Placement Agents, on the one hand, and any Purchaser or any of their respective affiliates, on the other hand, shall terminate and be of no further force or effect. The Company understands and confirms that each of the Purchasers will rely on the foregoing representations in effecting transactions in securities of the Company. The Company shall not, and shall cause its officers, directors, employees and agents and Parent not to, publicly disclose the name of any Purchaser or any affiliate or investment adviser of any Purchaser, or include the name of any Purchaser or any affiliate or investment adviser of any Purchaser without the prior written consent (including by e-mail) of such Purchaser (i) in any press release, marketing materials or any other public announcement, or (ii) in any filing with the Commission or any regulatory agency or trading market, except (A) as required by the federal securities laws, rules or regulations, (B) to the extent such disclosure is required by other laws, rules or regulations, at the request of the staff of the Commission or regulatory agency or under regulations of any national securities exchange on which Parent’s securities are listed for trading or (C) to the extent such disclosure contains only information previously approved in accordance with this [Section 5.02](#).

5.03 Concurrent Financing Restructuring. In the event the structure of the Concurrent Financing (as defined in the Merger Agreement) either violates applicable Law (as defined in the Merger Agreement) or materially and adversely affects Parent's ability to cause the Registration Statement to become effective in a timely manner, and in any event 60 days prior to the End Date (as defined in, and as may be extended in accordance with, the Merger Agreement), then the Company and Purchasers shall cooperate and use commercially reasonable efforts to cause the Concurrent Financing to be amended, modified and/or restructured such that such investment occurs as a direct acquisition of shares of Parent Common Stock (as defined in the Merger Agreement) substantially contemporaneously with the Closing in a manner which preserves to the extent possible, the amount of funds ultimately received by Parent and its subsidiaries, and the number of share of Parent Common Stock ultimately held by each Purchaser in respect of such amounts as though the Concurrent Financing and the Merger pursuant to the Merger Agreement have been consummated according to their respective terms.

5.04 Expenses. The Company and each Purchaser is liable for, and will pay, its own expenses incurred in connection with the negotiation, preparation, execution and delivery of this Agreement, including, without limitation, attorneys' and consultants' fees and expenses.

5.05 Form S-4. From the date hereof until the Closing Date, the Company shall use commercially reasonable efforts to ensure the Registration Statement will register the issuance of the shares of Parent Common Stock to be issued, subject to and in accordance with the terms of the Merger Agreement, by virtue of the Contemplated Transactions (as defined in the Merger Agreement).

5.06 Blue Sky Laws. The Company, on or before the Closing Date, shall take such action as the Company shall reasonably determine is necessary in order to obtain an exemption for or to qualify the Securities for sale to each Purchaser at the Closing pursuant to this Agreement under applicable securities or "blue sky" laws of the states of the United States (or to obtain an exemption from such qualification). The Company shall make all filings and reports relating to the offer and sale of the Securities required under applicable securities or "blue sky" laws of the states of the United States following the Closing Date.

5.07 No Amendment or Waiver of Merger Agreement Terms. The Company shall not amend, modify or waive (or approve an amendment, modification or a waiver requested by Parent of, or fail to contest an action regarding a breach of) any provision of the Merger Agreement in a manner that would reasonably be expected to materially and adversely affect the benefits that the Purchaser would reasonably expect to receive pursuant to this Agreement without the consent of each Purchaser, it being agreed that any amendment or modification to the definitions of "*Company Valuation*," "*Company Outstanding Shares*," "*Concurrent Financing Merger Shares*," "*Concurrent Financing Allocation Percentage*," "*Concurrent Investment Amount*" and "*Concurrent Financing Proceeds*" shall be deemed materially adverse to the Purchasers.

5.08 Equal Treatment of Purchasers. No consideration shall be offered or paid to any Purchaser to amend or consent to a waiver or modification of any provision of this Agreement unless the same consideration is also offered to all of the Purchasers. For clarification purposes, this provision constitutes a separate right granted to each Purchaser by the Company and negotiated separately by each Purchaser and shall not in any way be construed as the Purchasers acting in concert or as a group with respect to the purchase, disposition or voting of shares of Common Stock or otherwise.

5.09 Legend Removal. The restrictive legends described in Section 3.10 shall promptly be removed in accordance with applicable securities laws and, if applicable, the relevant provisions of the Registration Rights Agreement following the closing of the Merger. The shares of Parent Common Stock to be received in the Merger in exchange for the Shares will be issued in book-entry form, free and clear of any liens or other restrictions whatsoever and without restrictive legends in accordance with applicable securities laws.

5.10 Indemnification.

(a) The Company agrees to indemnify and hold harmless each Purchaser and its Affiliates, and their respective directors, officers, trustees, general partners, members, stockholders, partners, managers, employees, investment advisers and agents (and any other Persons with a functionally equivalent role of a Person holding such titles notwithstanding a lack of such title or any other title) and each Person who controls such Purchaser (within the meaning of Section 15 of the 1933 Act and Section 20 of the 1934 Act), and the directors, officers, stockholders, agents, members, partners or employees (and any other Persons with a functionally equivalent role of a Person holding such titles notwithstanding a lack of such title or any other title) of such controlling persons (collectively, the “**Indemnified Persons**”), from and against any and all losses, claims, damages, liabilities and expenses (including without limitation reasonable and documented attorney fees and disbursements and other documented out-of-pocket expenses reasonably incurred in connection with investigating, preparing or defending any action, claim or proceeding, pending or threatened and the costs of enforcement thereof) to which such Indemnified Person may become subject (i) as a result of any breach of representation, warranty, covenant or agreement made by or to be performed on the part of the Company under this Agreement or (ii) as a result of or arising out of any action, claim or proceeding, pending or threatened, against an Indemnified Person in any capacity by any third party (including a stockholder of the Company or Parent), whether directly or in a derivative capacity, who is not an Affiliate of the Indemnified Person, with respect to the transactions contemplated by this Agreement, the Merger Agreement or the Registration Rights Agreement, and will reimburse any such Indemnified Person for all such amounts as they are incurred by such Indemnified Person, except to the extent such amounts have been finally judicially determined to have resulted from such Person’s fraud or willful misconduct.

(b) Any person entitled to indemnification hereunder shall (i) give prompt written notice to the indemnifying party of any claim with respect to which it seeks indemnification and (ii) permit such indemnifying party to assume the defense of such claim with counsel reasonably satisfactory to the indemnified party; provided that any person entitled to indemnification hereunder shall have the right to employ separate counsel and to participate in the defense of such claim, but the fees and expenses of such counsel shall be at the expense of such person unless (a) the indemnifying party has agreed in writing to pay such fees or expenses, (b) the indemnifying party shall have failed to assume the defense of such claim and employ counsel reasonably satisfactory to such person or (c) in the reasonable judgment of any such person, based upon written advice of its counsel, a conflict of interest exists between such person and the indemnifying party with respect to such claims (in which case, if the person notifies the indemnifying party in writing that such person elects to employ separate counsel at the expense of the indemnifying party, the indemnifying party shall not have the right to assume the defense of such claim on behalf of such person); and provided, further, that the failure of any indemnified party to give written notice as provided herein shall not relieve the indemnifying party of its obligations hereunder, except to the extent that such failure to give notice shall materially adversely affect the indemnifying party in the defense of any such claim or litigation. It is understood that the indemnifying party shall not, in connection with any proceeding in the same jurisdiction, be liable for fees or expenses of more than one separate firm of attorneys at any time for all such indemnified parties. No indemnifying party will, except with the consent of the indemnified party, which consent shall not be unreasonably withheld, conditioned or delayed, consent to entry of any judgment or enter into any settlement unless such judgment or settlement (i) imposes no liability or obligation on, (ii) includes as an unconditional term thereof the giving of a complete, explicit and unconditional release from the party bringing such indemnified claims of all liability of the indemnified party in respect of such claim or litigation in favor of, and (iii) does not include any admission of fault, culpability, wrongdoing, or wrongdoing or malfeasance by or on behalf of, the indemnified party. No indemnified party will, except with the consent of the indemnifying party, which consent shall not be unreasonably withheld, conditioned or delayed, consent to entry of any judgment or enter into any settlement.

5.11 Withholding Taxes. Each Purchaser agrees to furnish the Company with any information, representations and forms as shall reasonably be requested by the Company from time to time to assist the Company in complying with any applicable tax law (including any withholding obligations).

SECTION 6. Conditions of Closing.

6.01 Conditions of the Purchasers' Obligations at the Closing. The obligations of each Purchaser under Section 2 hereof are subject to the fulfillment, at or prior to the Closing, of all of the following conditions, unless otherwise waived by such Purchaser solely as to itself.

(a) Representations and Warranties. The representations and warranties of the Company contained in this Agreement shall be true and correct in all respects on the Effective Date, and shall be true and correct in all material respects on and as of the Closing Date with the same effect as though such representations and warranties had been made on and as of the Closing Date (except (i) the representations and warranties of the Company set forth in Sections 4.01, 4.03, 4.05 and 4.21 of this Agreement (collectively, the “**Fundamental Representations**”) shall be true and correct in all respects on the Effective Date and on and as of the Closing Date with the same effect as though such Fundamental Representations had been made on and as of the Closing Date, (ii) to the extent expressly made as of an earlier date in which case as of such earlier date and (iii) representations and warranties that are qualified as to materiality or Material Adverse Effect, which representations and warranties shall be true in all respects).

(b) Performance. The Company shall have performed and complied in all material respects with all covenants, agreements, obligations and conditions contained in this Agreement that are required to be performed or complied with by it on or prior to the Closing Date.

(c) Compliance Certificate. The Chief Executive Officer of the Company shall have delivered to the Purchasers at the Closing Date a certificate, in form and substance reasonably acceptable to the Purchasers, certifying that the conditions specified in Sections 6.01(a), 6.01(b), 6.01(f), 6.01(i), 6.01(j), and 6.01(k) of this Agreement have been fulfilled.

(d) Qualification under Securities Laws. All registrations, qualifications, permits and approvals, if any, required under applicable securities laws shall have been obtained for the lawful execution, delivery and performance of this Agreement.

(e) Secretary's Certificate. The Secretary of the Company shall have delivered to the Purchasers at the Closing a certificate, in form and substance reasonably acceptable to the Purchasers (such consent not to be unreasonably withheld, conditioned or delayed), certifying (i) the certificate of incorporation and bylaws of the Company, (ii) authorization of the Board of Directors of the Company approving this Agreement and the transactions contemplated under this Agreement (including the Merger Agreement) and (iii) as to a certificate evidencing the good standing of the Company in Delaware issued by the Secretary of State of Delaware and in the State of California, issued by the Secretary of the State of California, each issued as of a date within five Business Days of the Closing Date.

(f) Merger. All conditions to the closing of the Merger shall have been satisfied or waived (other than the Closing hereunder and other than those conditions which, by their nature, are to be satisfied at the closing of the transactions contemplated by the Merger Agreement), and the closing of the Merger shall be set to occur substantially concurrently with the Closing hereunder. The Merger Agreement or any provision thereof shall not have been amended, modified or waived in contravention of Section 5.07 hereof.

(g) No Injunction. No statute, rule, regulation, executive order, decree, ruling or injunction shall have been enacted, entered, promulgated or endorsed by any Governmental Entity of competent jurisdiction that prohibits the consummation of any of the transactions contemplated by this Agreement.

(h) Registration Rights Agreement. The Company shall have delivered the fully executed Registration Rights Agreement.

(i) Registration Statement/Proxy Statement/Prospectus. The Registration Statement shall have become effective under the 1933 Act and no stop order suspending the effectiveness of the Registration

Statement shall have been issued and no proceeding for that purpose, and no similar proceeding with respect to the Registration Statement shall have been initiated or threatened in writing by the Commission or its staff.

(j) Nasdaq. Parent shall have submitted with Nasdaq an Initial Listing Application in respect of the Parent Common Stock to be issued in the Contemplated Transactions, which shall have been approved by Nasdaq.

(k) No Material Adverse Effect. Since the date of this Agreement, there shall not have occurred any Material Adverse Effect that is continuing.

(l) Minimum Financing Amount. The Company shall receive at Closing aggregate proceeds from the purchase of Securities pursuant to this Agreement of not less than \$450,000,000.

(m) Opinion of Company Counsel. The Placement Agents and the Purchasers shall have received from Cooley LLP, counsel for the Company, an opinion, dated as of the Closing Date, in the form agreed between the Company and the Placement Agents and the Purchaser Majority.

(n) Consents. Any and all consents, permits, approvals, registrations and waivers necessary for the consummation of the purchase and sale of the Shares, including the approval of the stockholders of Parent in connection with the Public Company Meeting, shall have been obtained.

6.02 Conditions of the Company's Obligations. The obligations of the Company under Section 2 hereof are subject to the fulfillment, at or prior to the Closing, of all of the following conditions, any of which may be waived in whole or in part by the Company in its absolute discretion.

(a) Representations and Warranties. The representations and warranties of the Purchasers contained in this Agreement shall be true and correct as of the Effective Date and true and correct in all material respects on and as of the Closing Date with the same effect as though such representations and warranties had been made on and as of the Closing Date (except (i) to the extent expressly made as of an earlier date in which case shall be as of such earlier date and (ii) representations and warranties that are qualified as to materiality, which representations and warranties shall be true in all respects, except as would not, in the aggregate, materially and adversely affect the Purchasers' ability to consummate the transactions contemplated hereby).

(b) Performance. Each Purchaser shall have performed and complied in all material respects with all covenants, agreements, obligations and conditions contained in this Agreement that are required to be performed or complied with by it on or prior to the Closing Date.

(c) Qualification under Securities Laws. All registrations, qualifications, permits and approvals, if any, required under applicable securities laws shall have been obtained for the lawful execution, delivery and performance of this Agreement.

(d) Merger. All conditions to the closing of the Merger shall have been satisfied or waived (other than the Closing hereunder and other than those conditions which, by their nature, are to be satisfied at the closing of the transactions contemplated by the Merger Agreement), and the closing of the Merger shall be set to occur substantially concurrently with the Closing hereunder.

(e) Payment. Except as may be agreed to among the Company and one or more Purchasers in accordance with Section 2.02, the Company shall have received payment, by wire transfer of immediately available funds, in the full amount of the purchase price for the number of Securities being purchased by each Purchaser at the Closing as set forth on the Schedule of Purchasers.

(f) Injunction. The purchase of and payment for the Securities by each Purchaser shall not be prohibited or enjoined by any law or governmental or court order or regulation.

SECTION 7. Definitions. Unless the context otherwise requires, the terms defined in this Section 7 shall have the meanings specified for all purposes of this Agreement.

“**1933 Act**” means the Securities Act of 1933, as amended.

“**1934 Act**” means the Securities Exchange Act of 1934, as amended.

“**Affiliate**” shall have the meaning ascribed to such term in Rule 12b-2 of the General Rules and Regulations under the 1934 Act.

“**Business Day**” means any day other than Saturday, Sunday or other day on which commercial banks in the City of New York are authorized or required by law to remain closed.

“**Company Presentation**” means that certain Investor Presentation, dated February 2026, as provided to the Purchaser prior to the Effective Date and filed by Parent on Form 8-K on or around the Effective Date.

“**Commission**” means the United States Securities and Exchange Commission.

“**Effective Time**” has the meaning ascribed to it in the Merger Agreement.

“**National Exchange**” means the Nasdaq Global Select Market, the Nasdaq Global Market, the Nasdaq Capital Market, or the New York Stock Exchange.

“**Person**” means an individual or corporation, partnership, trust, incorporated or unincorporated association, joint venture, limited liability company, joint stock company, government (or an agency or subdivision thereof) or other entity of any kind.

“**Purchase Price**” means an amount equal to (i) the Company Valuation (as defined in the Merger Agreement), (ii) divided by the number of Company Outstanding Shares (as defined in the Merger Agreement but excluding the Securities being issued hereunder) as of immediately prior to the closing of offering of the Securities hereunder.

“**Purchaser Majority**” means, prior to the Closing, the Purchasers committed to purchase at least a majority the Securities, provided that such majority includes each Purchaser who has committed to purchase (together with its affiliates and affiliated funds) at least \$25 million of Securities and, following the Closing, the Purchasers who hold at least a majority of the Securities (including any Parent Common Stock issued in exchange therefore) still held by the Purchasers.

“**Registration Rights Agreement**” means the Registration Rights Agreement, in the form attached hereto as Exhibit A, to be entered into at the Closing among the Company and each Purchaser.

“**Rule 144**” means Rule 144 promulgated by the Commission pursuant to the 1933 Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as Rule 144.

SECTION 8. Miscellaneous.

8.01 Waivers and Amendments. Neither this Agreement, nor any provision hereof, may be changed, waived, amended or modified orally or by course of dealing, but only by an instrument in writing executed by the Company and the Purchaser Majority, provided that, (a) if any, change, waiver, amendment, modification disproportionately and adversely impacts a Purchaser (or group of Purchasers), the consent of such disproportionately impacted Purchaser (or each Purchaser in such group of Purchasers) shall be required and (b) the consent of each Purchaser shall be required for any change in the Purchase Price, any change in the type of security to be issued to Purchasers at Closing, or the amendment or waiver of this Section 8.01, Section 8.13 or of any of the closing conditions set forth in Sections 6.01(a), 6.01(f), 6.01(i), 6.01(j), or 6.01(k).

Notwithstanding the foregoing or anything else herein to the contrary, no amendment, modification, alteration, change or waiver of this Section 8.01 shall be valid without the prior written consent of the Placement Agents, which consent may be granted or withheld in the sole discretion of the Placement Agents.

8.02 Notices. All notices, requests, consents, and other communications under this Agreement shall be in writing and shall be deemed delivered (a) when delivered, if delivered personally, (b) four (4) Business Days after being sent by registered or certified mail, return receipt requested, postage prepaid, (c) one (1) Business Day after being sent via a reputable nationwide overnight courier service guaranteeing next Business Day delivery, or (d) upon delivery, in the case of email, in each case to the intended recipient as set forth below, with respect to the Company, and to the addresses set forth on the Schedule of Purchasers with respect to the Purchasers.

if to the Company:
Candid Therapeutics, Inc.
11622 El Camino Real, Suite 150
San Diego, CA 92130
Attention: [***]
Email: [***]

with a copy to (which shall not constitute notice):

Cooley LLP
10265 Science Center Drive
San Diego, CA 92121
Attention: Charlie Kim; Carlos Ramirez
Email: ckim@cooley.com; cramirez@cooley.com

or at such other address as the Company or each Purchaser may specify by written notice to the other parties hereto in accordance with this Section 8.02.

8.03 Consent to Electronic Notice. From the date hereof until the Closing Date, each Purchaser consents to the delivery of any stockholder notice pursuant to Section 232 of the Delaware General Corporation Law, as amended or superseded from time to time, at the e-mail address set forth below the Purchaser's name on the signature page or Schedule I, as updated from time to time by notice to the Company. To the extent that any notice given by means of electronic mail is returned or undeliverable for any reason, the foregoing consent shall be deemed to have been revoked until a new or corrected e-mail address has been provided, and such attempted electronic notice shall be ineffective and deemed to not have been given. Each party agrees to promptly notify the other parties of any change in its e-mail address, and that failure to do so shall not affect the foregoing.

8.04 Severability. If any part or provision of this Agreement is held unenforceable or in conflict with the applicable laws or regulations of any jurisdiction, the invalid or unenforceable part or provisions shall be replaced with a provision which accomplishes, to the extent possible, the original business purpose of such part or provision in a valid and enforceable manner, and the remainder of this Agreement shall remain binding upon the parties hereto.

8.05 Governing Law; Submission to Jurisdiction; Venue; Waiver of Trial by Jury.

(a) This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York without regard to choice of laws or conflicts of laws provisions thereof that would require the application of the laws of any other jurisdiction, except to the extent that mandatory principles of Delaware law may apply.

(b) The Company and each of the Purchasers hereby irrevocably and unconditionally:

(i) submits for itself and its property in any legal action or proceeding relating solely to this Agreement or the transactions contemplated hereby, to the general jurisdiction of any state court or United States Federal court sitting in the Borough of Manhattan, City of New York in the State of New York;

(ii) consents that any such action or proceeding may be brought in such courts, and waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same to the extent permitted by applicable law;

(iii) agrees that service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, to the party, as the case may be, at its address set forth in [Section 8.02](#) or at such other address of which the other party shall have been notified pursuant thereto;

(iv) agrees that nothing herein shall affect the right to effect service of process in any other manner permitted by law or shall limit the right to sue in any other jurisdiction for recognition and enforcement of any judgment or if jurisdiction in the courts referenced in the foregoing clause (i) are not available despite the intentions of the parties hereto;

(v) agrees that final judgment in any such suit, action or proceeding brought in such a court may be enforced in the courts of any jurisdiction to which such party is subject by a suit upon such judgment, provided that service of process is effected upon such party in the manner specified herein or as otherwise permitted by law;

(vi) agrees that to the extent that such party has or hereafter may acquire any immunity from jurisdiction of any court or from any legal process with respect to itself or its property, such party hereby irrevocably waives such immunity in respect of its obligations under this Agreement, to the extent permitted by law; and

(vii) irrevocably and unconditionally waives trial by jury in any legal action or proceeding in relation to this Agreement.

8.06 Assignment. None of the parties may assign its rights or obligations under this Agreement or designate another person (i) to perform all or part of its obligations under this Agreement or (ii) to have all or part of its rights and benefits under this Agreement, in each case without the prior written consent of (x) the Company, in the case of a Purchaser, and (y) the Purchasers, in the case of the Company, provided that a Purchaser may, without the prior consent of the Company, assign its rights to purchase the Securities hereunder to any of its Affiliates or to any other investment funds or accounts managed or advised by the investment manager who acts on behalf of such Purchaser (provided each such assignee agrees to be bound by the terms of this Agreement and makes the same representations and warranties set forth in [Section 3](#)). In the event of any assignment in accordance with the terms of this Agreement, the assignee shall specifically assume and be bound by the provisions of this Agreement by executing a writing agreeing to be bound by and subject to the provisions of this Agreement and shall deliver an executed counterpart signature page to this Agreement and, notwithstanding such assumption or agreement to be bound hereby by an assignee, no such assignment shall relieve any party assigning any interest hereunder from its obligations or liability pursuant to this Agreement.

8.07 Confidential Information.

(a) Each Purchaser covenants that until such time as the transactions contemplated by this Agreement and any material non-public information provided to such Purchaser are publicly disclosed by the

Company in accordance with Section 5.02 (or earlier termination of this Agreement), such Purchaser will maintain the confidentiality of all disclosures made to it in connection with this transaction (including the existence and terms of this transaction), other than to such Purchaser's outside attorney, accountant, auditor or investment advisor only to the extent necessary to permit evaluation of the investment, and the performance of the necessary or required tax, accounting, financial, legal, or administrative tasks and services and other than as may be required by law.

(b) The Company may request from the Purchasers such reasonable and customary additional information as the Company may deem necessary to evaluate the eligibility of a Purchaser to acquire the Securities, and such Purchaser shall promptly provide such information as may reasonably be requested to the extent readily available; provided, that the Company agrees to keep any such information provided by such Purchaser confidential, except (i) as required by the federal securities laws, rules or regulations and (ii) to the extent such disclosure is required by other laws, rules or regulations, at the request of the staff of the SEC or regulatory agency or under the regulations of Nasdaq. The Purchaser acknowledges that the Company (or Parent) may file a copy of this Agreement and the Registration Rights Agreement with the SEC as exhibits to a periodic report, current report or a registration statement of the Company.

8.08 Reliance by and Exculpation of Placement Agents.

(a) Each Purchaser agrees for the express benefit of each Placement Agent, its affiliates and its representatives that (i) it is not relying upon, and has not relied upon, any statement, representation or warranty made by the Placement Agents, any of their respective affiliates or any of their or their respective representatives, in making its investment or decision to invest in the Company, (ii) the Placement Agents are acting solely as placement agents in connection with the transactions contemplated hereby and are not acting as underwriters, initial purchasers, dealers or in any other such capacity and are not and shall not be construed as a fiduciary for such Purchaser, (iii) the Placement Agents, their respective affiliates and representatives have not made, and will not make any representations or warranties with respect to the Company or the offer and sale of the Securities or any other matter concerning the Company or the transactions contemplated hereby, and the Purchaser will not rely on any statements made by the Placement Agents, orally or in writing, to the contrary, (iv) the Purchaser will be responsible for conducting its own due diligence investigation with respect to the Company and the offer and sale of the Securities, (v) the Purchaser will be purchasing Securities based on the results of its own due diligence investigation of the Company and the Placement Agents and each of their respective directors, officers, employees, representatives, and controlling persons have made no independent investigation with respect to the Company, the Securities, or the accuracy, completeness, or adequacy of any information supplied to the Purchaser by the Company, (vi) the Purchaser has negotiated the offer and sale of the Securities directly with the Company, and the Placement Agents will not be responsible for the ultimate success of any such investment and (vii) the decision to invest in the Company will involve a significant degree of risk, including a risk of total loss of such investment. Each Purchaser further represents and warrants to the Placement Agents that it, including any fund or funds that it manages or advises that participates in the offer and sale of the Securities, is permitted under its constitutive documents (including, without limitation, all limited partnership agreements, charters, bylaws, limited liability company agreements, all applicable side letters with investors, and similar documents) to make investments of the type contemplated by this Agreement. This Section 8.08 shall survive any termination of this Agreement.

(b) The Company agrees and acknowledges that the Placement Agents may rely on its representations, warranties, agreements and covenants contained in this Agreement and each Purchaser agrees that the Placement Agents may rely on such Purchaser's representations and warranties contained in this Agreement as if such representations and warranties, as applicable, were made directly to the Placement Agents.

(c) Neither the Placement Agents nor any of their respective affiliates or representatives (1) shall be liable for any improper payment made in accordance with the information provided by the Company; (2) makes any representation or warranty, or has any responsibilities as to the validity, enforceability, accuracy,

value or genuineness of any information, certificates or documentation delivered by or on behalf of the Company pursuant to this Agreement or in connection with any of the transactions contemplated herein; or (3) shall be liable (x) for any action taken, suffered or omitted by any of them in good faith and reasonably believed to be authorized or within the discretion or rights or powers conferred upon it by this Agreement or (y) for anything which any of them may do or refrain from doing in connection with this Agreement, except in each case for such party's own gross negligence or willful misconduct.

(d) The Company agrees that the Placement Agents, their respective affiliates and representatives shall be entitled to (1) rely on, and shall be protected in acting upon, any certificate, instrument, opinion, notice, letter or any other document or security delivered to any Purchaser by or on behalf of the Company, and (2) be indemnified by the Company for acting as the Placement Agents hereunder pursuant to the indemnification provisions set forth in the applicable letter agreement between the Company and the Placement Agents.

8.09 Third Parties. Nothing in this Agreement, express or implied, is intended to confer on any Person other than the parties to this Agreement any rights, remedies, claims, benefits, obligations or liabilities under or by reason of this Agreement, and no Person that is not a party to this Agreement (including, without limitation, any partner, member, shareholder, director, officer, employee or other beneficial owner of any party to this Agreement, in its own capacity as such or in bringing a derivative action on behalf of a party to this Agreement) shall have any standing as a third party beneficiary with respect to this Agreement or the transactions contemplated hereby, except as expressly set forth in this Agreement. Notwithstanding the foregoing, (i) the Placement Agents are intended third-party beneficiaries of the representations and warranties of the each Purchaser and the Company set forth in Section 3, Section 4 and Section 6.01(c) and Section 8.08 respectively, of this Agreement and (ii) the Indemnified Persons are intended third-party beneficiaries of Section 5.10.

8.10 Independent Nature of Purchasers' Obligations and Right. The obligations of each Purchaser under this Agreement are several and not joint with the obligations of any other Purchaser, and no Purchaser shall be responsible in any way for the performance of the obligations of any other Purchaser under this Agreement. Nothing contained herein, and no action taken by any Purchaser pursuant hereto, shall be deemed to constitute the Purchasers as, and the Company acknowledges that the Purchasers do not so constitute, a partnership, an association, a joint venture or any other kind of entity, or create a presumption that the Purchasers are in any way acting in concert or as a group (including a "group" within the meaning of Section 13(d)(3) of the 1934 Act), and the Company will not assert any such claim with respect to such obligations or the transactions contemplated by this Agreement, and the Company acknowledges that the Purchasers are not acting in concert or as a group with respect to such obligations or the transactions contemplated by this Agreement and the Company acknowledges that, to its knowledge, the Purchasers are not acting in concert or as a group with respect to such obligations or the transactions contemplated by this Agreement. It is expressly understood that each provision contained in this Agreement is between the Company and a Purchaser, solely, and not between the Company and the Purchasers collectively and not between and among the Purchasers. The Company acknowledges and each Purchaser confirms that it has independently participated in the negotiation of the transaction contemplated hereby with the advice of its own counsel and advisors. Each Purchaser also acknowledges that Cooley LLP has not rendered legal advice to such Purchaser. Each Purchaser shall be entitled to independently protect and enforce its rights, including, without limitation, the rights arising out of this Agreement, and it shall not be necessary for any other Purchaser to be joined as an additional party in any proceeding for such purpose. The Company has elected to provide all Purchasers with the same terms for the convenience of the Company and not because it was required or requested to do so by any Purchaser.

8.11 Headings. The titles, subtitles and headings in this Agreement are for convenience of reference and shall not form part of, or affect the interpretation of, this Agreement.

8.12 Counterparts. This Agreement may be executed in two or more identical counterparts, all of which shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to the other party; provided that a facsimile or pdf signature including any electronic

signatures complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com shall be considered due execution and shall be binding upon the signatory thereto with the same force and effect as if the signature were an original, not a facsimile or pdf (or other electronic reproduction of a) signature.

8.13 Entire Agreement. This Agreement and the other agreements contemplated hereby (including all schedules and exhibits hereto and thereto), constitute the entire agreement between the parties hereto respecting the subject matter of this Agreement and supersedes all prior agreements, negotiations, understandings, representations and statements respecting the subject matter of this Agreement, whether written or oral.

8.14 Survival. The covenants, representations and warranties made by each party hereto contained in this Agreement shall survive the Closing and the delivery of the Securities in accordance with their respective terms. Each Purchaser shall be responsible only for its own representations, warranties, agreements and covenants hereunder.

8.15 Contract Interpretation. This Agreement is the joint product of each Purchaser and the Company and each provision of this Agreement has been subject to the mutual consultation, negotiation and agreement of such parties and shall not be construed for or against any party hereto.

8.16 Arm's Length Negotiations. For the avoidance of doubt, the parties acknowledge and confirm that the terms and conditions of the Securities were determined as a result of arm's-length negotiations.

8.17 Termination. This Agreement shall terminate and be void and of no further force and effect, and all obligations of the parties hereunder shall terminate without any further liability on the part of any party in respect thereof, upon the earlier to occur of (a) such date and time that the Merger Agreement is terminated in accordance with its terms, (b) upon the mutual written agreement of the Company and the Purchaser (provided that such termination shall not otherwise apply to the other Purchasers), (c) by the Company, if any of the conditions set forth in [Section 6.02](#) shall have become incapable of fulfillment and shall not have been waived by the Company, (d) by a Purchaser, if any of the conditions set forth in [Section 6.01](#) shall have become incapable of fulfillment and shall not have been waived by such Purchaser or (e) the Closing has not occurred by the six month anniversary of the Effective Date (or the 8 month anniversary of the Effective Date if the End Date is automatically extended per the terms of the Merger Agreement). The Company shall notify each Purchaser of any termination of the Merger Agreement as promptly as practicable after the termination thereof. Upon the termination hereof in accordance with this [Section 8.17](#), any amounts paid by a Purchaser to the Company in connection with the transactions contemplated herein shall promptly (and in any event within one Business Day) be returned in full to such Purchaser by wire transfer of immediately available funds to the account specified by such Purchaser, without any deduction for or on account of any tax withholding, charges or set-off.

Signature pages follow

IN WITNESS WHEREOF, the parties hereto have caused this Subscription Agreement to be duly executed as of the Effective Date.

CANDID THERAPEUTICS, INC.

By: _____

Name:

Title:

Signature Page to Subscription Agreement

IN WITNESS WHEREOF, the parties hereto have caused this Subscription Agreement to be duly executed as of the Effective Date.

[•]

By: _____

Name: _____

Title: _____

Signature Page to Subscription Agreement

**FORM OF
REGISTRATION RIGHTS AGREEMENT**

THIS REGISTRATION RIGHTS AGREEMENT (this “*Agreement*”), dated as of [•], 2026, is entered into by and among Candid Therapeutics, Inc., a Delaware corporation, Rallybio Corporation, a Delaware corporation (the “*Parent*”), and the several investors signatory hereto (individually as a “*Purchaser*” and collectively together with their respective permitted assigns, the “*Purchasers*”). Capitalized terms used herein and not otherwise defined herein shall have the respective meanings set forth in the Subscription Agreement by and among the Company and the Purchasers, dated as of March 1, 2026 (as amended, restated, supplemented or otherwise modified from time to time, the “*Subscription Agreement*”).

WHEREAS:

A. Upon the terms and subject to the conditions of the Subscription Agreement, the Company has agreed to issue to the Purchasers, and the Purchasers have agreed to purchase, severally and not jointly, an aggregate of up to \$505,508,000 of shares (the “*Shares*”) of the Company’s common stock, par value \$0.0001 per share (the “*Common Stock*”), pursuant to the Subscription Agreement.

B. The Company is party to that certain Agreement and Plan of Merger and Reorganization by and among the Company, Farmington Merger Sub, Inc., and Parent, dated as of March 1, 2026 (the “*Merger Agreement*”), pursuant to which the Company will become a wholly-owned subsidiary of Parent (the “*Merger*”).

C. Following the Effective Time (as defined in the Merger Agreement), Parent will change its name to Candid Therapeutics, Inc. (“*TopCo*”);

D. To induce the Purchasers to enter into the Subscription Agreement, the Company has agreed to provide certain registration rights under the U.S. Securities Act of 1933, as amended, and the rules and regulations thereunder, or any similar successor statute (collectively, the “*1933 Act*”), and applicable state securities laws.

NOW, THEREFORE, in consideration of the promises and the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the Purchasers hereby agree as follows:

1. DEFINITIONS.

For purposes of this Agreement, the following terms shall have the following meanings:

(a) “*Company*” means Candid Therapeutics, Inc. for all periods prior to the Effective Time (as defined in the Merger Agreement) and TopCo for all periods following the Effective Time.

(b) “*Filing Deadline*” means, with respect to the Initial Registration Statement required hereunder, the 30th calendar day following the Closing Date and, with respect to any New Registration Statements or other Registration Statement filed hereunder, the 21st calendar day following the later of (i) date on which the Company is permitted by SEC Guidance to file such New Registration Statement related to the Registrable Securities and (ii) the date on which the Company becomes aware of the necessity of filing such New Registration Statement related to the Registrable Securities.

(c) “*Person*” means any individual or entity including but not limited to any corporation, limited liability company, association, partnership, organization, business, individual, governmental or political subdivision thereof or a governmental agency.

(d) “**Register**,” “**Registered**,” and “**Registration**” refer to a registration effected by preparing and filing one or more registration statements of the Company in compliance with the 1933 Act and providing for offering securities on a continuous basis, and the declaration or ordering of effectiveness of such registration statement(s) by the U.S. Securities and Exchange Commission (the “**SEC**”).

(e) “**Registrable Securities**” means (i) all shares of TopCo common stock issued to the Purchasers at the closing of the Merger and (ii) any TopCo common stock issued or issuable with respect to the foregoing as a result of any stock split or subdivision, stock dividend, recapitalization, exchange or similar event. Registrable Securities shall cease to be Registrable Securities (and the Company shall not be required to maintain the effectiveness of any, or file another, Registration Statement hereunder with respect thereto) upon the earliest to occur of (A) the date on which the Purchasers shall have resold all the Registrable Securities covered by the Registration Statement, (B) such Registrable Securities have been previously sold in accordance with Rule 144, (C) such securities become eligible for resale without volume or manner-of-sale restrictions pursuant to Rule 144 and without the requirement for the Company to be in compliance with the current public information requirement under Rule 144, (D) with respect to Registrable Securities held by a Purchaser that is not an affiliate of the Company, upon exchange of such Registrable Securities for unrestricted shares under an effective registration statement on Form S-4, if available and assuming any applicable legends (if any) are removed from such Registrable Securities in accordance with this Agreement, or if unavailable, another appropriate form filed with the SEC, and (E) five (5) years after the date of this Agreement.

(f) “**Registration Expenses**” means all registration and filing fee expenses incurred by the Company in effecting any registration pursuant to this Agreement, including (i) all registration, qualification, and filing fees, printing expenses, and any other fees and expenses associated with filings required to be made with the SEC, the Financial Industry Regulatory Authority, Inc. or any other regulatory authority, (ii) all fees and expenses in connection with compliance with or clearing the Registrable Securities for sale under any securities or “Blue Sky” laws, (iii) all printing, duplicating, word processing, messenger, telephone, facsimile and delivery expenses, and (iv) all fees and disbursements of counsel for the Company and of all independent certified public accountants of the Company (including the expenses of any special audit and cold comfort letters required by or incident to such performance); provided that in no event shall the Company be responsible for any underwriting, broker or similar fees or commissions of any Purchaser or, except to the extent provided for in the Subscription Agreement, any legal fees or other costs of the Purchasers.

(g) “**Registration Statement**” means any registration statement of the Company filed with, or to be filed with, the SEC under the 1933 Act, that Registers Registrable Securities, including the related preliminary or final prospectus, amendments and supplements to such registration statement, including pre- and post-effective amendments, and all exhibits and all material incorporated by reference in such registration statement as may be necessary to comply with applicable securities laws. “**Registration Statement**” shall also include a New Registration Statement, as amended when each became effective, including all documents filed as part thereof or incorporated by reference therein, and including any information contained in a prospectus subsequently filed with the SEC.

(h) “**Required Purchasers**” means the Purchasers holding a majority of the Registrable Securities outstanding from time to time, provided that such majority includes each Purchaser who initially purchased (together with its affiliates and affiliated funds) at least \$25 million of Closing Shares (as defined in the Subscription Agreement) pursuant to the Subscription Agreement and continues to hold such number of Closing Shares at the relevant time, provided further that such Closing Shares are Registrable Securities at the relevant time.

(i) “**SEC Guidance**” means (i) any publicly-available written or oral guidance of the SEC staff, or any comments, requirements or requests of the SEC staff (whether or not publicly-available); provided, that any such oral guidance, comments, requirements or requests are reduced to writing by the SEC (and shared with the Purchasers upon request if not publicly-available) and (ii) the 1933 Act.

(j) “**Selling Expenses**” means all underwriting discounts and selling commissions applicable to the sale of Registrable Securities and all similar fees and commissions relating to a Purchaser’s disposition of its Registrable Securities, including any legal fees or other costs of such Purchaser.

2. REGISTRATION.

(a) **Mandatory Registration.** The Company shall, as promptly as reasonably practicable and in any event no later than the Filing Deadline, prepare and file with the SEC an initial Registration Statement (the “**Initial Registration Statement**”) covering the resale of all of the Registrable Securities. Before filing any Registration Statement, the Company shall furnish to the Purchasers a copy of the Registration Statement. The Purchasers and their respective counsel shall have at least three (3) Business Days prior to the anticipated filing date of a Registration Statement to review and comment upon such Registration Statement and any amendment or supplement to such Registration Statement and any related prospectus (including any documents incorporated by reference therein), prior to its filing with the SEC. Subject to any SEC comments, such Registration Statement shall include the plan of distribution substantially in the form attached hereto as Exhibit A. The Company shall (a) consider in good faith any comments as the Purchaser or its counsel may reasonably propose to such document prior to being so filed with the SEC, and (b) not file any Registration Statement or related prospectus or any amendment or supplement thereto containing information regarding the Purchaser to which such Purchaser reasonably (x) objects or (y) believes contains untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, unless such information is required (in the good faith opinion of the Company) to comply with any applicable law or regulation or SEC Guidance. Each Purchaser shall furnish all information with respect to such Purchaser reasonably requested by the Company and as shall be reasonably required in connection with any registration referred to in this Agreement.

(b) **Effectiveness.** The Company shall use commercially reasonable efforts to have the Initial Registration Statement and any amendment declared effective by the SEC at the earliest possible date but no later than the earlier of (a) the seventy-fifth (75th) calendar day following the initial filing date of the Initial Registration Statement if the SEC notifies the Company that it will “review” the Initial Registration Statement and (b) the fifth (5th) Business Day after the date the Company is notified (orally or in writing, whichever is earlier) by the SEC that the Initial Registration Statement will not be “reviewed” or will not be subject to further review (the “**Effectiveness Deadline**”). The Company shall notify the Purchaser by e-mail as promptly as practicable, and in any event, within twenty-four (24) hours, after the Registration Statement is declared effective or is supplemented and shall provide the Purchaser with copies of any related prospectus to be used in connection with the sale or other disposition of the securities covered thereby. The Company shall use commercially reasonable efforts to keep the Initial Registration Statement continuously effective pursuant to Rule 415 promulgated under the 1933 Act and available for the resale by the Purchasers of all of the Registrable Securities covered thereby at all times until the earliest to occur of the following events: (i) the date on which the Purchasers shall have resold all the Registrable Securities covered thereby; (ii) the date on which the Registrable Securities may be resold by the Purchasers without registration and without regard to any volume or manner-of-sale limitations by reason of Rule 144, and without the requirement for the Company to be in compliance with the current public information requirement under Rule 144 under the 1933 Act or any other rule of similar effect and (iii) five (5) years after the date of this Agreement (the “**Registration Period**”). The Initial Registration Statement (including any amendments or supplements thereto and prospectuses contained therein) shall not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein, or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading.

(c) **Sufficient Number of Shares Registered.** In the event the number of shares available under the Initial Registration Statement at any time is insufficient to cover the Registrable Securities, the Company shall, to the extent necessary and permissible, amend the Initial Registration Statement or file a new registration statement (together with any prospectuses or prospectus supplements thereunder, a “**New Registration Statement**”), so as to

cover all of such Registrable Securities as soon as reasonably practicable, but in any event not later than the Filing Deadline. The Company shall use its commercially reasonable efforts to have such amendment and/or New Registration Statement become effective as soon as reasonably practicable following the filing thereof but no later than the earlier of the (i) seventy-fifth (75th) calendar day following the initial filing date of the New Registration Statement if the SEC notifies the Company that it will “review” the New Registration Statement and (ii) the fifth (5th) Business Day after the date the Company is notified (orally or in writing, whichever is earlier) by the SEC that the New Registration Statement will not be “reviewed” or will not be subject to further review (the earlier of such dates, the “**New Registration Effectiveness Deadline**”). The provisions of Sections 2(a) and 2(b) shall apply to the New Registration Statement, except as modified hereby.

(d) Allowable Delays. On no more than two (2) occasions in any twelve (12)-month period for not more than thirty (30) consecutive days or for a total of not more than sixty (60) days, the Company may delay the effectiveness of the Initial Registration Statement or any other Registration Statement, or suspend the use of any prospectus included in any Registration Statement, in the event that the Company’s Board of Directors reasonably determines, in good faith and upon advice of legal counsel, that such delay or suspension is necessary to (A) delay the disclosure by the Company in the Registration Statement of material non-public information that the Company has a bona fide business purpose for preserving as confidential and the non-disclosure of which at the time is not, in the good faith opinion of the Company’s Board of Directors, in the best interests of the Company, or (B) amend or supplement the affected Registration Statement or the related prospectus so that such Registration Statement or prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the case of the prospectus in light of the circumstances under which they were made, not misleading (an “**Allowed Delay**”); provided, that the Company shall promptly (a) notify each Purchaser in writing (email being sufficient) of the commencement of an Allowed Delay, but shall not (without the prior written consent of a Purchaser) disclose to such Purchaser any material non-public information giving rise to an Allowed Delay, (b) advise the Purchasers in writing to cease all sales under the applicable Registration Statement until the end of the Allowed Delay and (c) use commercially reasonable efforts to terminate an Allowed Delay as promptly as practicable. Each Purchaser may deliver written notice (an “**Opt-Out Notice**”) to the Company requesting that such Purchaser not receive notices from the Company otherwise required by this Section 2(d); provided, however, that such Purchaser may later revoke any such Opt-Out Notice in writing, which shall be effective five (5) Business Days after the receipt thereof. Following receipt of an Opt-Out Notice from a Purchaser (unless subsequently revoked), the Company shall not deliver any notices pursuant to this Section 2(d) to such Purchaser and such Purchaser shall no longer be entitled to the rights associated with any such notice.

(e) Rule 415: Cutback. If at any time the SEC takes the position that the offering of some or all of the Registrable Securities in any Registration Statement is not eligible to be made on a delayed or continuous basis under the provisions of Rule 415 under the 1933 Act (provided, however, the Company shall be obligated to use commercially reasonable efforts to advocate with the SEC for the registration of all of the Registrable Securities) or requires any Purchaser to be named as an “underwriter,” the Company shall (i) promptly notify each holder of Registrable Securities thereof and (ii) make commercially reasonable efforts to persuade the SEC that the offering contemplated by such Registration Statement is a valid secondary offering and not an offering “by or on behalf of the issuer” as defined in Rule 415 and that none of the Purchasers is an “underwriter.” Each Purchaser shall have the right to have its legal counsel, at such Purchaser’s expense, to review and oversee any registration or matters pursuant to this Section 2(e), including to comment on any written submission made to the SEC with respect thereto. In the event that, despite the Company’s commercially reasonable efforts and compliance with the terms of this Section 2(e), the SEC refuses to alter its position, the Company shall (i) remove from such Registration Statement such portion of the Registrable Securities and/or (ii) agree to such restrictions and limitations on the registration and resale of the Registrable Securities as the SEC may require to assure the Company’s compliance with the requirements of Rule 415 (collectively, the “**SEC Restrictions**”); provided, however, that the Company shall not name any Purchaser as an “underwriter” in such Registration Statement without the prior written consent of such Purchaser (provided that, in the event a Purchaser withholds such consent, the Company shall have no obligation hereunder to include any Registrable Securities of such Purchaser

in any Registration Statement covering the resale thereof until such time as the SEC no longer requires such Purchaser to be named as an “underwriter” in such Registration Statement or such Purchaser otherwise consents in writing to being so named). Any cut-back imposed on the Purchasers pursuant to this Section 2(e) shall be applied first to any of the Registrable Securities of a Purchaser that the SEC has indicated cannot be included or must be limited in the number of Registrable Securities that can be included, and thereafter shall be allocated among the Purchasers on a pro rata basis, unless the SEC Restrictions otherwise require or provides otherwise, or a Purchaser otherwise agrees.

(f) Each Registration Statement filed hereunder shall be on Form S-3 (except if the Company is not then eligible to register for resale the Registrable Securities on Form S-3, in which case such registration shall be on another form in accordance with the provisions of this Section 2(f)). If Form S-3 is not available for the registration of the resale of Registrable Securities hereunder, the Company shall (i) register the resale of the Registrable Securities on another appropriate form and (ii) undertake to register the Registrable Securities on Form S-3 as soon as such form is available, provided that the Company shall use commercially reasonable efforts maintain the effectiveness of the Registration Statement then in effect until such time as a Registration Statement on Form S-3 covering the Registrable Securities has been declared effective by the SEC.

3. RELATED COMPANY OBLIGATIONS.

With respect to the Registration Statement and whenever any Registrable Securities are to be Registered pursuant to Section 2, including on the Initial Registration Statement or on any New Registration Statement, the Company shall use its commercially reasonable efforts to effect the registration of the Registrable Securities in accordance with the intended method of disposition thereof and, pursuant thereto, the Company shall have the following obligations:

(a) Notifications. The Company will promptly notify the Purchasers of the time when any subsequent amendment to the Initial Registration Statement or any New Registration Statement, other than documents incorporated by reference, has been filed with the SEC and/or has become effective or where a receipt has been issued therefor or any subsequent supplement to a prospectus has been filed and of any request by the SEC for any amendment or supplement to the Registration Statement, any New Registration Statement or any prospectus or for additional information regarding the Purchaser.

(b) Amendments. The Company will prepare and file with the SEC any amendments, post-effective amendments or supplements to the Initial Registration Statement, any New Registration Statement or any related prospectus, as applicable, that, (a) as may be necessary to keep such Registration Statement effective for the Registration Period and to comply with the provisions of the 1933 Act and the 1934 Act with respect to the distribution of all of the Registrable Securities covered thereby, or (b) in the reasonable opinion of a Purchaser and the Company, as may be necessary or advisable in connection with any acquisition or sale of Registrable Securities by the Purchasers at least (1) Business Day prior to filing.

(c) Purchaser Review. The Company will not file any amendment or supplement to the Registration Statement, any New Registration Statement or any prospectus, other than documents incorporated by reference, relating to any Purchaser, the Registrable Securities or the transactions contemplated hereby unless (A) the Purchaser and its counsel shall have been advised and afforded the opportunity to review and comment thereon at least three (3) Business Days prior to filing with the SEC and (B) the Company shall have given good faith consideration to any comments thereon received from the Purchaser or its counsel.

(d) Copies Available. The Company will furnish to any Purchaser whose Registrable Securities are included in any Registration Statement and its counsel copies of the Initial Registration Statement, any prospectus thereunder (including all documents incorporated by reference therein), any prospectus supplement thereunder, any New Registration Statement and all amendments to the Initial Registration Statement or any New Registration Statement that are filed with the SEC during the Registration Period (including all documents filed

with or furnished to the SEC during such period that are deemed to be incorporated by reference therein), each letter written by or on behalf of the Company to the SEC or the staff of the SEC, and each item of correspondence from the SEC or the staff of the SEC, in each case relating to such Registration Statement (other than any portion thereof which contains information for which the Company has sought confidential treatment) and such other documents as Purchaser may reasonably request in order to facilitate the disposition of the Registrable Securities owned by such Purchaser that are covered by such Registration Statement, in each case as soon as reasonably practicable upon such Purchaser's request and in such quantities as such Purchaser may from time to time reasonably request; provided, however, that the Company shall not be required to furnish any document to the Purchaser to the extent such document is available on EDGAR.

(e) Notification of Stop Orders; Material Changes. The Company shall use commercially reasonable efforts to (i) prevent the issuance of any stop order or other suspension of effectiveness and, (ii) if such order is issued, obtain the withdrawal of any such order as soon as practicable. The Company shall advise the Purchasers promptly (but in no event later than 24 hours) and shall confirm such advice in writing, in each case: (1) of the Company's receipt of notice of any request by the SEC or any other federal or state governmental authority for amendment of or a supplement to the Registration Statement or any prospectus or for any additional information; (2) of the Company's receipt of notice of the issuance by the SEC or any other federal or state governmental authority of any stop order suspending the effectiveness of the Initial Registration Statement or prohibiting or suspending the use of any prospectus or prospectus supplement, or any New Registration Statement, or of the Company's receipt of any notification of the suspension of qualification of the Registrable Securities for offering or sale in any jurisdiction or the initiation or contemplated initiation of any proceeding for such purpose; and (3) of the Company becoming aware of the happening of any event, which makes any statement of a material fact made in any Registration Statement or any prospectus untrue or which requires the making of any additions to or changes to the statements then made in any Registration Statement or any prospectus in order to state a material fact required by the 1933 Act to be stated therein or necessary in order to make the statements then made therein (in the case of any prospectus, in light of the circumstances under which they were made) not misleading, or of the necessity to amend any Registration Statement or any prospectus to comply with the 1933 Act or any other law. The Company shall not be required to disclose to the Purchasers (and shall not so disclose to any Purchaser without such Purchaser's prior written consent) the substance of specific reasons of any of the events set forth in clauses (1) through (3) of the immediately preceding sentence and shall not provide any material non-public information to the Purchasers in such notice (each, a "*Suspension Event*"), but rather, shall only be required to disclose that the event has occurred. If at any time the SEC, or any other federal or state governmental authority shall issue any stop order suspending the effectiveness of any Registration Statement or prohibiting or suspending the use of any prospectus or prospectus supplement, the Company shall use its commercially reasonable efforts to obtain the withdrawal of such order at the earliest practicable time. The Company shall furnish to any Purchaser, upon request, without charge, a copy of any correspondence from the SEC or the staff of the SEC, or any other federal or state governmental authority to the Company or its representatives relating to the Initial Registration Statement, any New Registration Statement or any prospectus, or prospectus supplement as the case may be. In the event of a Suspension Event set forth in clause (3) of the second sentence of this Section 3(e), the Company will use its commercially reasonable efforts to publicly disclose such event as soon as reasonably practicable, or otherwise resolve the matter such that sales under Registration Statements may resume.

(f) Confirmation of Effectiveness. If reasonably requested by a Purchaser at any time in respect of any Registration Statement, the Company shall deliver to such Purchaser a written confirmation (email being sufficient) from Company's counsel of whether or not the effectiveness of such Registration Statement has lapsed at any time for any reason (including, without limitation, the issuance of a stop order) and whether or not such Registration Statement is currently effective and available to the Company for sale of Registrable Securities.

(g) Listing. The Company shall use commercially reasonable efforts to cause all Registrable Securities covered by a Registration Statement to be listed on the Nasdaq Stock Market and any other National Exchange upon which the Registrable Securities are then listed.

(h) Compliance. The Company shall otherwise use commercially reasonable efforts to comply with all applicable rules and regulations of the SEC under the 1933 Act and the 1934 Act, including, without limitation, Rule 172 under the 1933 Act, file any final prospectus, including any supplement or amendment thereof, with the SEC pursuant to Rule 424 under the 1933 Act, promptly inform the Purchaser in writing if, at any time during the Registration Period, the Company does not satisfy the conditions specified in Rule 172 and, as a result thereof, the Purchaser is required to deliver a prospectus in connection with any disposition of Registrable Securities and take such other actions as may be reasonably necessary to facilitate the registration of the Registrable Securities hereunder, and make available to its security holders, as soon as reasonably practicable, but not later than the Availability Date (as defined below), an earnings statement covering a period of at least twelve (12) months, beginning after the effective date of each Registration Statement, which earnings statement shall satisfy the provisions of Section 11(a) of the 1933 Act, including Rule 158 promulgated thereunder (for the purpose of this [Section 3\(h\)](#)). “**Availability Date**” means the forty-fifth (45th) day following the end of the fourth (4th) fiscal quarter that includes the effective date of such Registration Statement, except that, if such fourth (4th) fiscal quarter is the last quarter of the Company’s fiscal year, “**Availability Date**” means the ninetieth (90th) day after the end of such fourth (4th) fiscal quarter).

(i) Blue-Sky. The Company shall use commercially reasonable efforts to register or qualify or cooperate with a Purchaser and its counsel in connection with the registration or qualification of such Registrable Securities for the offer and sale under the securities or blue sky laws of such jurisdictions reasonably requested by such Purchaser; provided, however, that the Company shall not be required in connection therewith or as a condition thereto to (i) qualify to do business in any jurisdiction where it would not otherwise be required to qualify but for this [Section 3\(i\)](#), (ii) subject itself to general taxation in any jurisdiction where it would not otherwise be so subject but for this [Section 3\(i\)](#), or (iii) file a general consent to service of process in any such jurisdiction.

(j) Rule 144. With a view to making available to the Purchasers the benefits of Rule 144 (or its successor rule) and any other rule or regulation of the SEC that may at any time permit the Purchasers to sell shares of TopCo common stock to the public without registration, for so long as any Registrable Securities are outstanding, the Company covenants and agrees to use commercially reasonable efforts to: (i) make and keep adequate current public information available, as those terms are understood and defined in Rule 144; (ii) file with the SEC in a timely manner all reports and other documents required of the Company under the 1934 Act; and (iii) furnish electronically to each Purchaser upon request, as long as such Purchaser owns any Registrable Securities, (A) a written statement by the Company that it has complied with the reporting requirements of the 1934 Act, (B) a copy of or electronic access to the Company’s most recent Annual Report on Form 10-K or Quarterly Report on Form 10-Q, and (C) such other information as may be reasonably requested in order to avail such Purchaser of any rule or regulation of the SEC that permits the selling of any such Registrable Securities without registration.

(k) Cooperation. The Company shall cooperate with the holders of the Registrable Securities to facilitate the timely preparation and delivery of certificates or uncertificated shares representing the Registrable Securities to be sold pursuant to such Registration Statement or Rule 144 free of any restrictive legends and representing such number of shares of Common Stock and registered in such names as the holders of the Registrable Securities may reasonably request in accordance with the provisions of the Subscription Agreement, and the Company may satisfy its obligations hereunder without issuing physical stock certificates through the use of The Depository Trust Company’s Direct Registration System.

(l) Removal of Restrictive Legends. Without limiting [Section 5.09](#) of the Subscription Agreement, the Company shall use commercially reasonable efforts to cause the Company’s transfer agent to remove any restrictive legend from any Registrable Securities, as promptly as practicable following effectiveness of the applicable Registration Statement.

4. OBLIGATIONS OF THE PURCHASERS.

(a) Purchaser Information. Each Purchaser shall provide a completed Investor Questionnaire in the form attached hereto as Exhibit B or such other form of questionnaire or information reasonably required by the Company in connection with the registration of the Registrable Securities within three (3) Business Days of request by the Company and no later than the end of the third (3rd) Business Day following the date on which such Purchaser receives draft materials in accordance with Section 2(a).

(b) Suspension of Sales. Each Purchaser, severally and not jointly with any other Purchaser, agrees that, upon receipt of any notice from the Company of the existence of an Allowed Delay or Suspension Event, the Purchaser will promptly discontinue disposition of Registrable Securities pursuant to any Registration Statement covering such Registrable Securities until the Purchaser's receipt of a notice from the Company confirming the resolution of such Allowed Delay or Suspension Event and that such dispositions may again be made; provided, for the avoidance of doubt, that the foregoing shall not limit the right of a Purchaser to sell or otherwise dispose of the Registrable Securities pursuant to Rule 144 or any other exemption from the registration requirements of the 1933 Act or to settle a transaction pursuant to a Registration Statement as to which a contract for such sale was entered into prior to such Purchaser's receipt of the notice from the Company of the existence of the Allowed Delay or Suspension Event. The Company shall cause its transfer agent to deliver unlegended shares of Common Stock to a transferee of a Purchaser in accordance with any sale of Registrable Securities pursuant to a Registration Statement with respect to which such Purchaser has entered into a contract for sale prior to such Purchaser's receipt of the notice from the Company of the existence of the Allowed Delay or Suspension Event.

(c) Purchaser Cooperation. Each Purchaser, severally and not jointly with any other Purchaser, agrees to cooperate with the Company as reasonably requested by the Company in connection with the preparation and filing of any amendments and supplements to any Registration Statement or New Registration Statement hereunder, unless such Purchaser has notified the Company in writing of its election to exclude all of its Registrable Securities from such Registration Statement.

5. EXPENSES OF REGISTRATION.

All Registration Expenses incurred in connection with registrations pursuant to this Agreement shall be borne by the Company. All Selling Expenses relating to securities registered on behalf of a Purchaser shall be borne by such Purchaser.

6. INDEMNIFICATION.

(a) To the fullest extent permitted by law, the Company will, and hereby does, indemnify, hold harmless and defend each Purchaser, each Person, if any, who controls each Purchaser, the members, shareholders, directors, officers, partners, employees, members, managers, agents, representatives and advisors of each Purchaser and each Person, if any, who controls each Purchaser within the meaning of the 1933 Act or the 1934 Act (each, an "*Indemnified Person*"), against any losses, obligation, claims, damages, liabilities, contingencies, judgments, fines, penalties, charges and costs (including, without limitation, court costs and costs of preparation, reasonable and documented attorneys' fees, amounts paid in settlement (with the prior consent of the Company, such consent not to be unreasonably withheld, conditioned or delayed) or reasonable and documented expenses (collectively, "*Indemnified Damages*")) reasonably incurred in investigating, preparing or defending any action, claim, suit, inquiry, proceeding, investigation or appeal taken from the foregoing by or before any court or governmental, administrative or other regulatory agency or body or the SEC, whether pending or threatened, whether or not an indemnified party is or may be a party thereto ("*Claims*"), to which any of them may become subject insofar as such Claims arise out of or are based upon: (i) any untrue statement or alleged untrue statement or omission or alleged omission of any material fact contained in any Registration Statement or (ii) any violation or alleged violation by the Company or any of its Subsidiaries of the 1933 Act,

1934 Act or any other state securities or other “blue sky” laws of any jurisdiction in which Registrable Securities are offered or any rule or regulation promulgated thereunder applicable to the Company or its agents and relating to action or inaction required of the Company in connection with such registration of the Registrable Securities (the matters in the foregoing clauses (i) and (ii) being, collectively, “**Violations**”). The Company shall reimburse each Indemnified Person promptly as such Indemnified Damages are incurred and are due and payable in connection with investigating or defending any such Claim. Notwithstanding anything to the contrary contained herein, the indemnification agreement contained in this [Section 6\(a\)](#): (A) shall not apply to a Claim by an Indemnified Person arising out of or based upon a Violation which occurs in reliance upon and in conformity with information furnished in writing to the Company by the Purchaser or such Indemnified Person specifically for use in such Registration Statement and was reviewed and approved in writing by such Purchaser or such Indemnified Person expressly for use in connection with the preparation of any Registration Statement; (B) with respect to any superseded prospectus, shall not inure to the benefit of any such Person from whom the Person asserting any such Claim purchased the Registrable Securities that are the subject thereof (or to the benefit of any other Indemnified Person) if the untrue statement or omission of material fact contained in the superseded prospectus was corrected in the revised prospectus, as then amended or supplemented, and the Indemnified Person was promptly advised in writing not to use the outdated, defective or incorrect prospectus prior to the use giving rise to a Violation; (C) shall not be available to the extent such Claim is based on a failure of the Indemnified Person to deliver, or cause to be delivered, if required the prospectus to the Persons asserting an untrue statement or omission or alleged untrue statement or omission at or prior to the written confirmation of the sale of Registrable Securities; and (D) shall not apply to amounts paid in settlement of any Claim if such settlement is effected without the prior written consent of the Company, which consent shall not be unreasonably withheld, conditioned or delayed. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of the Indemnified Person and shall survive the transfer of the Registrable Securities by the Purchaser pursuant to Section 8.

(b) In connection with the Initial Registration Statement, any New Registration Statement or any prospectus, each Purchaser, severally and not jointly, agree to indemnify, hold harmless and defend, the Company, each of its directors and officers who signed the Initial Registration Statement or signs any New Registration Statement, and each Person, if any, who controls the Company within the meaning of the 1933 Act or the 1934 Act (each, an “**Indemnified Party**”), against any losses, claims, damages, liabilities and expense (including reasonable attorney fees) resulting from (i) any untrue statement or alleged untrue statement or omission or alleged omission of any material fact contained in any Registration Statement or (ii) any Violation or alleged Violation by the Purchaser of its obligations under this Agreement, in each case to the extent, and only to the extent, that such Violation occurs in reliance upon and in conformity with information about the relevant Purchaser furnished in writing by such Purchaser to the Company expressly for use in connection with the preparation of the Registration Statement, any New Registration Statement, any prospectus or any such amendment thereof or supplement thereto. In no event shall the liability of a Purchaser be greater in amount than the dollar amount of the proceeds (net of all expense paid by such Purchaser in connection with any claim relating to this Section 6 and the amount of any damages such Purchaser has otherwise been required to pay by reason of such untrue statement or omission) received by such Purchaser upon the sale of the Registrable Securities included in such Registration Statement giving rise to such indemnification obligation. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of such Indemnified Party and shall survive the transfer of the Registrable Securities by a Purchaser pursuant to Section 8.

(c) Promptly after receipt by an Indemnified Person or Indemnified Party under this Section 6 of notice of the commencement of any action or proceeding (including any governmental action or proceeding) involving a Claim, such Indemnified Person or Indemnified Party shall, if a Claim in respect thereof is to be made against any indemnifying party under this Section 6, deliver to the indemnifying party a written notice of the commencement thereof, and the indemnifying party shall have the right to participate in, and, to the extent the indemnifying party so desires, jointly with any other indemnifying party similarly noticed, to assume control of the defense thereof with counsel mutually satisfactory to the indemnifying party and the Indemnified Person or the Indemnified Party, as the case may be, and upon such notice, the indemnifying party shall not be liable to the

Indemnified Person or the Indemnified Party for any legal or other expenses subsequently incurred by the Indemnified Person or the Indemnified Party in connection with the defense thereof; provided, however, that an Indemnified Person or Indemnified Party (together with all other Indemnified Persons and Indemnified Parties that may be represented without conflict by one counsel) shall have the right to retain its own counsel with the reasonable fees and expenses to be paid by the indemnifying party, if, in the reasonable opinion of counsel retained by the indemnifying party, the representation by such counsel of the Indemnified Person or Indemnified Party and the indemnifying party would be inappropriate due to actual or potential differing interests between such Indemnified Person or Indemnified Party and any other party represented by such counsel in such proceeding. The Indemnified Party or Indemnified Person shall cooperate with the indemnifying party in connection with any negotiation or defense of any such action or claim by the indemnifying party and shall furnish to the indemnifying party all information reasonably available to the Indemnified Party or Indemnified Person which relates to such action or claim. The indemnifying party shall keep the Indemnified Party or Indemnified Person fully apprised as to the status of the defense or any settlement negotiations with respect thereto. No indemnifying party shall be liable for any settlement of any action, claim or proceeding effected without its written consent, provided, however, that the indemnifying party shall not unreasonably withhold, delay or condition its consent. No indemnifying party shall, without the consent of the Indemnified Party or Indemnified Person, consent to entry of any judgment or enter into any settlement or other compromise unless such judgment or settlement (i) imposes no liability or obligation on, (ii) includes as an unconditional term thereof the giving of a complete, explicit and unconditional release from the party bringing such indemnified claims of all liability of the Indemnified Party or Indemnified Person in respect to or arising out of such claim or litigation in favor of, and (iii) does not include any admission of fault, culpability, wrongdoing, or wrongdoing or malfeasance by or on behalf of, the Indemnified Party or Indemnified Person. Following indemnification as provided for hereunder, the indemnifying party shall be subrogated to all rights of the Indemnified Party or Indemnified Person with respect to all third parties, firms or corporations relating to the matter for which indemnification has been made. The failure to deliver written notice to the indemnifying party within a reasonable time of the commencement of any such action shall not relieve such indemnifying party of any liability to the Indemnified Person or Indemnified Party under this Section 6, except to the extent that the indemnifying party is prejudiced in its ability to defend such action.

(d) The indemnification required by this Section 6 shall be made by periodic payments of the amount thereof during the course of the investigation or defense, as and when bills are received or Indemnified Damages are incurred. Any Person receiving a payment pursuant to this Section 6 which person is later determined to not be entitled to such payment shall return such payment (including reimbursement of expenses) to the person making it.

(e) The indemnity agreements contained herein shall be in addition to (i) any cause of action or similar right of the Indemnified Party or Indemnified Person against the indemnifying party or others, and (ii) any liabilities the indemnifying party may be subject to pursuant to the law.

7. CONTRIBUTION.

To the extent any indemnification by an indemnifying party is prohibited or limited by law, the indemnifying party agrees to make the maximum contribution with respect to any amounts for which it would otherwise be liable under Section 6 to the fullest extent permitted by law; provided, however, that: (i) no seller of Registrable Securities guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) shall be entitled to contribution from any seller of Registrable Securities who was not guilty of fraudulent misrepresentation; and (ii) contribution by any seller of Registrable Securities shall be limited in amount to the net amount of proceeds (net of all expenses paid by such holder in connection with any claim relating to this Section 7 and the amount of any damages such holder has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission) received by such seller from the sale of such Registrable Securities giving rise to such contribution obligation.

8. ASSIGNMENT OF REGISTRATION RIGHTS.

The Company shall not assign this Agreement or any rights or obligations hereunder (whether by operation of law or otherwise) without the prior written consent of the Purchasers holding a majority of the Registrable Securities then outstanding (voting together as a single class); provided, however, that in any transaction, whether by merger, reorganization, restructuring, consolidation, financing or otherwise, whereby the Company is a party and in which the Registrable Securities are converted into the equity securities of another Person, from and after the effective time of such transaction, such Person shall, by virtue of such transaction, be deemed to have assumed the obligations of the Company hereunder, the term “*Company*” shall be deemed to refer to such Person and the term “*Registrable Securities*” shall be deemed to include the securities received by the Purchaser in connection with such transaction unless such securities are otherwise freely tradable by the Purchaser after giving effect to such transaction, and the prior written consent of the Purchasers holding a majority of the Registrable Securities then outstanding shall not be required for such transaction. No Purchaser may assign its rights under this Agreement, other than to an affiliate of such Purchaser or to any other investment funds or accounts managed or advised by the investment manager who acts on behalf of the Purchaser, without the prior written consent of the Company. The provisions of this Agreement shall be binding upon and inure to the benefit of the Purchaser and its successors and permitted assigns.

9. AMENDMENTS AND WAIVERS.

The provisions of this Agreement, including the provisions of this sentence, may be amended, modified or supplemented, or waived only by a written instrument executed by (i) the Company and (ii) the Required Purchasers, provided that (i) any party may give a waiver as to itself, (ii) any amendment, modification, supplement or waiver that disproportionately and adversely affects the rights and obligations of any Purchaser relative to the comparable rights and obligations of the other Purchasers shall require the prior written consent of such adversely affected Purchaser or each Purchaser, as applicable, and (iii) any amendments to Section 6 or to the definitions of “*Filing Deadline*,” “*Effectiveness Deadline*,” “*New Registration Effectiveness Deadline*” or “*Registration Period*” shall require the written consent of each Purchaser. Notwithstanding the foregoing, a waiver or consent to depart from the provisions hereof with respect to a matter that relates exclusively to the rights of one or more Purchasers and that does not adversely directly or indirectly affect the rights of other Purchasers may be given by Purchasers holding a majority of the Registrable Securities to which such waiver or consent relates.

10. MISCELLANEOUS.

(a) Notices. All notices, requests, consents, and other communications under this Agreement shall be in writing and shall be deemed delivered (a) when delivered, if delivered personally, (b) four (4) Business Days after being sent by registered or certified mail, return receipt requested, postage prepaid, (c) one (1) Business Day after being sent via a reputable nationwide overnight courier service guaranteeing next Business Day delivery, or (d) when delivered, in the case of email, in each case to the intended recipient as set forth below, with respect to the Company, and to the addresses set forth in Schedule I to the Subscription Agreement.

if to the Company:
Candid Therapeutics, Inc.
11622 El Camino Real, Suite 150
San Diego, CA 92130
Attention: [***]
Email: [***]

with a copy to (which shall not constitute notice):

Cooley LLP
10265 Science Center Drive

San Diego, CA 92121
Attention: Charlie Kim; Carlos Ramirez
Email: Ckim@cooley.com; cramirez@cooley.com

or at such other address as the Company or each Purchaser may specify by written notice to the other parties hereto in accordance with this [Section 8.02](#).

(b) [No Waiver](#). No failure or delay on the part of either party hereto in the exercise of any power, right or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any such power, right or privilege preclude any other or further exercise thereof or of any other right, power or privilege.

(c) [Governing Law; Submission to Jurisdiction; Venue; Waiver of Trial by Jury](#). The provisions of Section 8.05 of the Subscription Agreement are incorporated by reference herein *mutatis mutandis*.

(d) [Entire Agreement](#). This Agreement, the Subscription Agreement and any other agreement contemplated hereby or thereby (including all schedules and exhibits hereto and thereto) constitute the entire agreement between the parties hereto respecting the subject matter hereof and thereof and supersedes all prior agreements, negotiations, understandings, representations and statements respecting the subject matter hereof and thereof, whether written or oral.

(e) [Headings](#). The titles, subtitles and headings in this Agreement are for convenience of reference and shall not form part of, or affect the interpretation of, this Agreement.

(f) [Counterparts](#). This Agreement may be executed in two or more identical counterparts, all of which shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to the other party; provided that a facsimile or pdf signature including any electronic signatures complying with the U.S. federal E-SIGN Act of 2000, e.g., www.docusign.com shall be considered due execution and shall be binding upon the signatory thereto with the same force and effect as if the signature were an original, not a facsimile or pdf (or other electronic reproduction of a) signature.

(g) [Further Assurances](#). Each party shall do and perform, or cause to be done and performed, all such further acts and things, and shall execute and deliver all such other agreements, certificates, instruments and documents as the other party may reasonably request in order to carry out the intent and accomplish the purposes of this Agreement and the consummation of the transactions contemplated hereby.

(h) [Contract Interpretation](#). This Agreement is the joint product of each Purchaser and the Company and each provision hereof has been subject to the mutual consultation, negotiation and agreement of such parties and shall not be construed for or against any party hereto.

(i) [No Third-Party Beneficiaries](#). This Agreement is intended for the benefit of the parties hereto and their respective permitted successors and assigns, and is not for the benefit of, nor may any provision hereof be enforced by, any other Person except as expressly provided in this Agreement. Except as set forth in Sections 6, 7 and 8, nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

(j) [Severability](#). If any part or provision of this Agreement is held unenforceable or in conflict with the applicable laws or regulations of any jurisdiction, the invalid or unenforceable part or provisions shall be replaced with a provision which accomplishes, to the extent possible, the original business purpose of such part or provision in a valid and enforceable manner, and the remainder of this Agreement shall remain binding upon the parties hereto.

(k) Non-Recourse. Notwithstanding anything that may be expressed or implied in this Agreement, the Company covenants, agrees and acknowledges that no recourse under this Agreement or any documents or instruments delivered in connection with this Agreement shall be had against any current or future director, officer, employee, stockholder, general or limited partner or member of any Purchaser or of any affiliates or assignees thereof, whether by the enforcement of any assessment or by any legal or equitable proceeding, or by virtue of any statute, regulation or other applicable law, it being expressly agreed and acknowledged that no personal liability whatsoever shall attach to, be imposed on or otherwise be incurred by any current or future director, officer, employee, stockholder, general or limited partner or member of any Purchaser or of any affiliates or assignees thereof, as such for any obligation of any Purchaser under this Agreement or any documents or instruments delivered in connection with this Agreement for any claim based on, in respect of or by reason of such obligations or their creation.

(l) Specific Performance. In addition to any and all other remedies that may be available at law in the event of any breach of this Agreement, each Purchaser shall be entitled to seek specific performance of the agreements and obligations of the Company hereunder and to such other injunction or equitable relief as may be granted by a court of competent jurisdiction.

(m) Cumulative Remedies. The remedies provided herein are cumulative and not exclusive of any remedies provided by law.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have caused this Registration Rights Agreement to be duly executed as of date first written above.

COMPANY:

CANDID THERAPEUTICS, INC.

By: _____
Name:
Title:

[Signature Page to Registration Rights Agreement]

IN WITNESS WHEREOF, the parties have caused this Registration Rights Agreement to be duly executed as of date first written above.

PARENT:

RALLYBIO CORPORATION

By: _____
Name:
Title:

IN WITNESS WHEREOF, the parties have caused this Registration Rights Agreement to be duly executed as of date first written above.

PURCHASER:

[NAME]

By: _____
Name:
Title:

Exhibit A
PLAN OF DISTRIBUTION

The selling stockholders, which as used herein includes donees, pledgees, transferees or other successors-in-interest selling shares of common stock or interests in shares of common stock received after the date of this prospectus from a selling stockholder as a gift, pledge, partnership distribution or other transfer, may, from time to time, sell, transfer or otherwise dispose of any or all of their shares of common stock or interests in shares of common stock on any stock exchange, market or trading facility on which the shares are traded or in private transactions. These dispositions may be at fixed prices, at prevailing market prices at the time of sale, at prices related to the prevailing market price, at varying prices determined at the time of sale, or at negotiated prices.

The selling stockholders may use any one or more of the following methods when disposing of shares or interests therein:

- distributions to members, partners, stockholders or other equityholders of the selling stockholders;
- ordinary brokerage transactions and transactions in which the broker-dealer solicits purchasers;
- block trades in which the broker-dealer will attempt to sell the shares as agent, but may position and resell a portion of the block as principal to facilitate the transaction;
- purchases by a broker-dealer as principal and resale by the broker-dealer for its account;
- an exchange distribution in accordance with the rules of the applicable exchange;
- privately negotiated transactions;
- short sales and settlement of short sales entered into after the effective date of the registration statement of which this prospectus is a part;
- through the writing or settlement of options or other hedging transactions, whether through an options exchange or otherwise;
- broker-dealers may agree with the selling stockholders to sell a specified number of such shares at a stipulated price per share;
- a combination of any such methods of sale; and
- any other method permitted pursuant to applicable law.

The selling stockholders may, from time to time, pledge or grant a security interest in some or all of the shares of common stock owned by them and, if they default in the performance of their secured obligations, the pledgees or secured parties may offer and sell the shares of common stock, from time to time, under this prospectus, or under an amendment to this prospectus under Rule 424(b)(3) or other applicable provision of the Securities Act, amending the list of selling stockholders to include the pledgee, transferee or other successors in interest as selling stockholders under this prospectus. The selling stockholders also may transfer the shares of common stock in other circumstances, in which case the transferees, pledgees or other successors in interest will be the selling stockholders for purposes of this prospectus.

In connection with the sale of our common stock or interests therein, the selling stockholders may enter into hedging transactions with broker-dealers or other financial institutions, which may in turn engage in short sales of the common stock in the course of hedging the positions they assume. The selling stockholders may also sell shares of our common stock short and deliver these securities to close out their short positions, or loan or pledge the common stock to broker-dealers that in turn may sell these securities. The selling stockholders may also enter into option or other transactions with broker-dealers or other financial institutions or the creation of one or more derivative securities which require the delivery to such broker-dealer or other financial institution of shares offered by this prospectus, which shares such broker-dealer or other financial institution may resell pursuant to this prospectus (as supplemented or amended to reflect such transaction).

The aggregate proceeds to the selling stockholders from the sale of the common stock offered by them will be the purchase price of the common stock less discounts or commissions, if any. Each of the selling stockholders reserves the right to accept and, together with their agents from time to time, to reject, in whole or in part, any proposed purchase of common stock to be made directly or through agents. We will not receive any of the proceeds from this offering.

The selling stockholders also may resell all or a portion of the shares in open market transactions in reliance upon Rule 144 under the Securities Act, provided that they meet the criteria and conform to the requirements of that rule, or another available exemption from the registration requirements under the Securities Act.

The selling stockholders and any underwriters, broker-dealers or agents that participate in the sale of the common stock or interests therein may be “underwriters” within the meaning of Section 2(a)(11) of the Securities Act (it being understood that the selling stockholders shall not be deemed to be underwriters solely as a result of their participation in this offering). Any discounts, commissions, concessions or profit they earn on any resale of the shares may be underwriting discounts and commissions under the Securities Act. Selling stockholders who are “underwriters” within the meaning of Section 2(a)(11) of the Securities Act will be subject to the prospectus delivery requirements of the Securities Act.

To the extent required, the shares of our common stock to be sold, the names of the selling stockholders, the respective purchase prices and public offering prices, the names of any agent, dealer or underwriter, and any applicable commissions or discounts with respect to a particular offer will be set forth in an accompanying prospectus supplement or, if appropriate, a post-effective amendment to the registration statement that includes this prospectus.

In order to comply with the securities laws of some states, if applicable, the common stock may be sold in these jurisdictions only through registered or licensed brokers or dealers. In addition, in some states the common stock may not be sold unless it has been registered or qualified for sale or an exemption from registration or qualification requirements is available and is complied with.

We have advised the selling stockholders that the anti-manipulation rules of Regulation M under the Exchange Act may apply to sales of shares in the market and to the activities of the selling stockholders and their affiliates. In addition, to the extent applicable, we will make copies of this prospectus (as it may be supplemented or amended from time to time) available to the selling stockholders for the purpose of satisfying the prospectus delivery requirements of the Securities Act. The selling stockholders may indemnify any broker-dealer that participates in transactions involving the sale of the shares against certain liabilities, including liabilities arising under the Securities Act.

We have agreed to indemnify the selling stockholders against liabilities, including liabilities under the Securities Act and state securities laws, relating to the registration of the shares offered by this prospectus.

We have agreed with the selling stockholders to use commercially reasonable efforts to cause the registration statement of which this prospectus constitutes a part to become effective and to remain continuously effective until the earlier of: (i) the date on which the selling stockholders shall have resold or otherwise disposed of all the shares covered by this prospectus and (ii) the date on which the shares covered by this prospectus no longer constitute “Registrable Securities” as such term is defined in the Registration Rights Agreement, such that they may be resold by the selling stockholders without registration and without regard to any volume or manner-of-sale limitations and without current public information pursuant to Rule 144 under the Securities Act or any other rule of similar effect.

**CERTIFICATE OF AMENDMENT
TO THE
AMENDED AND RESTATED CERTIFICATE OF INCORPORATION**

RALLYBIO CORPORATION, a corporation organized and existing under the laws of the State of Delaware, hereby certifies as follows:

1. The name of the corporation is Rallybio Corporation (the “Corporation”). The Corporation’s original Certificate of Incorporation was filed with the Secretary of State of the State of Delaware on June 30, 2021 (the “Certificate of Incorporation”). The Certificate of Incorporation was amended on July 12, 2021. The Certificate of Incorporation, as amended, was amended and restated on August 2, 2021 (the “Restated Certificate”). The Restated Certificate was further amended on February 6, 2026. This Certificate of Amendment (the “Amendment”) amends certain provisions of the Restated Certificate, and has been duly adopted in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware.
2. The Board of Directors of the Corporation has duly adopted a resolution, pursuant to Section 242 of the General Corporation Law of the State of Delaware, setting forth the following amendment to the Restated Certificate, and declaring the Amendment to be advisable.
3. This Amendment was duly adopted by the vote of the stockholders holding the requisite number of shares of outstanding stock of the Corporation entitled to vote thereon in accordance with the provisions of Sections 216 and 242 of the General Corporation Law of the State of Delaware.
4. The Restated Certificate is hereby amended by adding the following Article XI — REVERSE STOCK SPLIT:

ARTICLE XI — REVERSE STOCK SPLIT

As of 12:01 A.M. (Eastern Time) on _____, 2026 (the “Effective Time”), each issued and outstanding share of the Corporation’s Common Stock (including each share of treasury stock, collectively, the “Pre-Split Stock”) shall automatically and without any action on the part of the holder thereof be reclassified as and reduced to _____ of a share of Common Stock (such reduction of shares designated as the “Reverse Stock Split”). The par value of the Corporation’s Common Stock following the Reverse Stock Split shall remain \$0.0001 per share. Each holder of a certificate or certificates of Pre-Split Stock shall be entitled to receive, upon surrender of such certificates to the Corporation’s transfer agent for cancellation, a new certificate or certificates for a number of shares equal to such holder’s Pre-Split Stock divided by _____, with any fraction resulting from such division rounded down to the nearest whole number (in each case, such fraction, if any, being a “Fractional Share”). No Fractional Shares will be issued for Pre-Split Stock in connection with the Reverse Stock Split. Each holder of Pre-Split Stock at the Effective Time who would otherwise be entitled to a Fractional Share shall, in lieu thereof, receive a cash payment equal to x) the Fractional Share multiplied by y) the closing price of the Company’s Common Stock as reported on The Nasdaq Capital Market or other principal market of the Common Stock on the first business day immediately preceding the date of the Effective Time.”

5. This Amendment shall be effective as of _____, 2026 in accordance with the provisions of Section 103(d) of the General Corporation Law of the State of Delaware.

6. Except as set forth in this Amendment, the Restated Certificate remains in full force and effect.

IN WITNESS WHEREOF, the undersigned has duly executed this Amendment in the name of and on behalf of the Corporation on this _____ day of _____, 2026.

RALLYBIO CORPORATION

By: _____
Name: Stephen Uden, M.D.
Title: Chief Executive Officer

**CERTIFICATE OF AMENDMENT
TO THE
AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF
RALLYBIO CORPORATION**

*Pursuant to Section 242 and Section 103
of the General Corporation Law of the State of Delaware*

Rallybio Corporation (the “**Corporation**”), a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware (the “**DGCL**”), does hereby certify that:

1. The Board of Directors of the Corporation, acting in accordance with Section 242 of the DGCL, duly adopted resolutions declaring advisable the amendments to the Certificate of Incorporation of the Corporation filed with the Secretary of State on _____, 2026 (the “**Certificate of Incorporation**”) set forth in paragraphs 2 and 3 of this Certificate of Amendment.
2. Article I of the Certificate of Incorporation is hereby deleted in its entirety and replaced by the following Article I in lieu thereof:
“The name of this corporation is **Candid Therapeutics, Inc.** (the “**Corporation**”).”
3. All references in the Certificate of Incorporation to “Rallybio Corporation” are hereby replaced with “Candid Therapeutics, Inc.”

In witness whereof, the undersigned duly authorized officer of the Corporation has executed this Certificate of Amendment on _____, 2026.

By: _____
Name: Stephen Uden, M.D.
Title: Chief Executive Officer

**CERTIFICATE OF AMENDMENT
TO THE
AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF
RALLYBIO CORPORATION**

The undersigned, being an officer of Rallybio Corporation (the “Corporation”), a corporation organized and existing under and by virtue of the provisions of the General Corporation Law of the State of Delaware (the “DGCL”), hereby certifies, pursuant to Section 242 and Section 103 of the DGCL, the following:

1. The name of the Corporation is Rallybio Corporation. The Corporation’s original Certificate of Incorporation was filed with the Secretary of State of the State of Delaware on June 30, 2021 (the “Certificate of Incorporation”). The Certificate of Incorporation was amended on July 12, 2021. The Certificate of Incorporation, as amended, was amended and restated on August 2, 2021 (the “Restated Certificate”). The Restated Certificate was further amended on February 6, 2026. This Certificate of Amendment (the “Amendment”) amends certain provisions of the Restated Certificate, and has been duly adopted in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware. The name of this corporation is Rallybio Corporation, and this corporation was originally incorporated pursuant to the DGCL on January 1, 2019.
2. The Board of Directors of the Corporation has duly adopted a resolution, pursuant to Section 242 of the General Corporation Law of the State of Delaware, setting forth the following amendment to the Restated Certificate, and declaring the Amendment to be advisable.
3. The first sentence of section (a) of Article Fourth of the Certificate of Incorporation of the Corporation is hereby amended in its entirety to read as follows:

The total number of shares of stock which the Corporation shall have authority to issue is _____ shares, consisting of _____ shares of Common Stock, par value \$0.0001 per share (“Common Stock”) and _____ shares of Preferred Stock, par value \$0.0001 per share (“Preferred Stock”).
4. The foregoing amendment has been consented to and authorized by the stockholders of the Corporation by written consent given in accordance with the provisions of Section 228 of the DGCL.
5. The foregoing amendment was duly adopted by a majority of the directors of the Corporation in accordance with the provisions of Section 141 and Section 242 of the DGCL.

IN WITNESS WHEREOF, this certificate has been executed by a duly authorized officer of this corporation on this _____ day of _____, 2026.

By: _____
Name: Stephen Uden, M.D.
Title: Chief Executive Officer

**CANDID THERAPEUTICS, INC.
2026 EQUITY INCENTIVE PLAN**

ADOPTED BY THE BOARD OF DIRECTORS: [], 2026
APPROVED BY THE STOCKHOLDERS: [], 2026

1. GENERAL.

(a) Successor to and Continuation of Prior Plan. The Plan is the successor to and continuation of the Prior Plan. As of the Effective Date, (i) no additional awards may be granted under the Prior Plan; (ii) any Returning Shares will become available for issuance pursuant to Awards granted under this Plan; and (iii) all outstanding awards granted under the Prior Plan will remain subject to the terms of the Prior Plan (except to the extent such outstanding awards result in Returning Shares that become available for issuance pursuant to Awards granted under this Plan). All Awards granted under this Plan will be subject to the terms of this Plan.

(b) Plan Purpose. The Company, by means of the Plan, seeks to secure and retain the services of Employees, Directors and Consultants, to provide incentives for such persons to exert maximum efforts for the success of the Company and any Affiliate and to provide a means by which such persons may be given an opportunity to benefit from increases in value of the Common Stock through the granting of Awards.

(c) Available Awards. The Plan provides for the grant of the following Awards: (i) Incentive Stock Options; (ii) Nonstatutory Stock Options; (iii) SARs; (iv) Restricted Stock Awards; (v) RSU Awards; (vi) Performance Awards; and (vii) Other Awards.

(d) Adoption Date; Effective Date. The Plan will come into existence on the Adoption Date, but no Award may be granted prior to the Effective Date.

2. SHARES SUBJECT TO THE PLAN.

(a) Share Reserve. Subject to adjustment in accordance with Section 2(c) and any adjustments as necessary to implement any Capitalization Adjustments, the aggregate number of shares of Common Stock that may be issued pursuant to Awards will not exceed [] shares, which is the sum of: (i) []¹ new shares, plus (ii) up to [] Returning Shares, as such shares become available from time to time. In addition, subject to any adjustments as necessary to implement any Capitalization Adjustments, such aggregate number of shares of Common Stock will automatically increase on January 1 of each year for a period of ten years commencing on January 1, 2027 and ending on (and including) January 1, 2036, in an amount equal to five percent (5%) of the total number of Fully Diluted Shares on December 31 of the preceding year; provided, however, that the Board may act prior to January 1st of a given year to provide that the increase for such year will be a lesser number of shares of Common Stock.

(b) Aggregate Incentive Stock Option Limit. Notwithstanding anything to the contrary in Section 2(a) and subject to any adjustments as necessary to implement any Capitalization Adjustments, the aggregate maximum number of shares of Common Stock that may be issued pursuant to the exercise of Incentive Stock Options is []² shares.

¹ **NTD:** To be equal to the product of (i) fifteen percent (15%), multiplied by (ii) the total number of shares of our common stock outstanding plus all shares of our common stock issuable upon conversion or exercise of outstanding securities and rights, including (without limitation) preferred stock on an as-converted basis, equity awards, warrants (including pre-funded warrants), and any convertible indebtedness or similar instruments, whether or not then vested or exercisable, determined on the effective date of the Plan.

² **NTD:** To be equal to the number of new shares multiplied by 3.

(c) Share Reserve Operation.

(i) Limit Applies to Common Stock Issued Pursuant to Awards. For clarity, the Share Reserve is a limit on the number of shares of Common Stock that may be issued pursuant to Awards and does not limit the granting of Awards, except that the Company will keep available at all times the number of shares of Common Stock reasonably required to satisfy its obligations to issue shares pursuant to such Awards. Shares may be issued in connection with a merger or acquisition as permitted by, as applicable, Nasdaq Listing Rule 5635(c), NYSE Listed Company Manual Section 303A.08, NYSE American Company Guide Section 711 or other applicable rule, and such issuance will not reduce the number of shares available for issuance under the Plan.

(ii) Actions that Do Not Constitute Issuance of Common Stock and Do Not Reduce Share Reserve. The following actions do not result in an issuance of shares under the Plan and accordingly do not reduce the number of shares subject to the Share Reserve and available for issuance under the Plan: (1) the expiration or termination of any portion of an Award without the shares covered by such portion of the Award having been issued; (2) the settlement of any portion of an Award in cash (*i.e.*, the Participant receives cash rather than Common Stock); (3) the withholding of shares that would otherwise be issued by the Company to satisfy the exercise, strike or purchase price of an Award; or (4) the withholding of shares that would otherwise be issued by the Company to satisfy a tax withholding obligation in connection with an Award.

(iii) Reversion of Previously Issued Shares of Common Stock to Share Reserve. The following shares of Common Stock previously issued pursuant to an Award and accordingly initially deducted from the Share Reserve will be added back to the Share Reserve and again become available for issuance under the Plan: (1) any shares that are forfeited back to or repurchased by the Company because of a failure to meet a contingency or condition required for the vesting of such shares; (2) any shares that are reacquired by the Company to satisfy the exercise, strike or purchase price of an Award; and (3) any shares that are reacquired by the Company to satisfy a tax withholding obligation in connection with an Award.

3. ELIGIBILITY AND LIMITATIONS.

(a) Eligible Award Recipients. Subject to the terms of the Plan, Employees, Directors and Consultants are eligible to receive Awards.

(b) Specific Award Limitations.

(i) Limitations on Incentive Stock Option Recipients. Incentive Stock Options may be granted only to Employees of the Company or a “parent corporation” or “subsidiary corporation” thereof (as such terms are defined in Sections 424(e) and (f) of the Code).

(ii) Incentive Stock Option \$100,000 Limitation. To the extent that the aggregate Fair Market Value (determined at the time of grant) of Common Stock with respect to which Incentive Stock Options are exercisable for the first time by any Optionholder during any calendar year (under all plans of the Company and any Affiliates) exceeds \$100,000 (or such other limit established in the Code) or otherwise does not comply with the rules governing Incentive Stock Options, the Options or portions thereof that exceed such limit (according to the order in which they were granted) or otherwise do not comply with such rules will be treated as Nonstatutory Stock Options, notwithstanding any contrary provision of the applicable Option Agreement(s).

(iii) Limitations on Incentive Stock Options Granted to Ten Percent Stockholders. A Ten Percent Stockholder may not be granted an Incentive Stock Option unless (1) the exercise price of such Option is at least 110% of the Fair Market Value on the date of grant of such Option and (2) the Option is not exercisable after the expiration of five years from the date of grant of such Option.

(iv) Limitations on Nonstatutory Stock Options and SARs. Nonstatutory Stock Options and SARs may not be granted to Employees, Directors and Consultants unless the stock underlying such Awards is treated

as “service recipient stock” under Section 409A or unless such Awards otherwise comply with the requirements of Section 409A.

(c) Aggregate Incentive Stock Option Limit. The aggregate maximum number of shares of Common Stock that may be issued pursuant to the exercise of Incentive Stock Options is the number of shares specified in Section 2(b).

(d) Non-Employee Director Compensation Limit. The aggregate value of all compensation granted or paid, as applicable, to any individual for service as a Non-Employee Director with respect to any calendar year, including Awards granted and cash fees paid by the Company to such Non-Employee Director, will not exceed (1) \$750,000 in total value or (2) in the event such Non-Employee Director is first appointed or elected to the Board during such calendar year, \$1,000,000 in total value, in each case, calculating the value of any equity awards based on the grant date fair value of such equity awards for financial reporting purposes. The limitations in this Section 3(d) shall apply commencing with the first calendar year that begins following the Effective Date.

4. OPTIONS AND STOCK APPRECIATION RIGHTS.

Each Option and SAR will have such terms and conditions as determined by the Board. Each Option will be designated in writing as an Incentive Stock Option or Nonstatutory Stock Option at the time of grant; provided, however, that if an Option is not so designated or if an Option designated as an Incentive Stock Option fails to qualify as an Incentive Stock Option, then such Option will be a Nonstatutory Stock Option, and the shares purchased upon exercise of each type of Option will be separately accounted for. Each SAR will be denominated in shares of Common Stock equivalents. The terms and conditions of separate Options and SARs need not be identical; provided, however, that each Option Agreement and SAR Agreement will conform (through incorporation of provisions hereof by reference in the Award Agreement or otherwise) to the substance of each of the following provisions:

(a) Term. Subject to Section 3(b) regarding Ten Percent Stockholders, no Option or SAR will be exercisable after the expiration of ten years from the date of grant of such Award or such shorter period specified in the Award Agreement.

(b) Exercise or Strike Price. Subject to Section 3(b) regarding Ten Percent Stockholders, the exercise or strike price of each Option or SAR will not be less than 100% of the Fair Market Value on the date of grant of such Award. Notwithstanding the foregoing, an Option or SAR may be granted with an exercise or strike price lower than 100% of the Fair Market Value on the date of grant of such Award if such Award is granted pursuant to an assumption of or substitution for another option or stock appreciation right pursuant to a Corporate Transaction and in a manner consistent with the provisions of Sections 409A and, if applicable, 424(a) of the Code.

(c) Exercise Procedure and Payment of Exercise Price for Options. In order to exercise an Option, the Participant must provide notice of exercise to the Plan Administrator in accordance with the procedures specified in the Option Agreement or otherwise provided by the Company. The Board has the authority to grant Options that do not permit all of the following methods of payment (or otherwise restrict the ability to use certain methods) and to grant Options that require the consent of the Company to utilize a particular method of payment. The exercise price of an Option may be paid, to the extent permitted by Applicable Law and as determined by the Board, by one or more of the following methods of payment to the extent set forth in the Option Agreement:

(i) by cash or check, bank draft or money order payable to the Company;

(ii) pursuant to a “cashless exercise” program developed under Regulation T as promulgated by the U.S. Federal Reserve Board that, prior to the issuance of the Common Stock subject to the Option, results in either the receipt of cash (or check) by the Company or the receipt of irrevocable instructions to pay the exercise price to the Company from the sales proceeds;

(iii) by delivery to the Company (either by actual delivery or attestation) of shares of Common Stock that are already owned by the Participant free and clear of any liens, claims, encumbrances or security interests, with a Fair Market Value on the date of exercise that does not exceed the exercise price, provided that (1) at the time of exercise the Common Stock is publicly traded, (2) any remaining balance of the exercise price not satisfied by such delivery is paid by the Participant in cash or other permitted form of payment, (3) such delivery would not violate any Applicable Law or agreement restricting the redemption of the Common Stock, (4) any certificated shares are endorsed or accompanied by an executed assignment separate from certificate, and (5) such shares have been held by the Participant for any minimum period necessary to avoid adverse accounting treatment as a result of such delivery;

(iv) if the Option is a Nonstatutory Stock Option, by a “net exercise” arrangement pursuant to which the Company will reduce the number of shares of Common Stock issuable upon exercise by the largest whole number of shares with a Fair Market Value on the date of exercise that does not exceed the exercise price, provided that (1) such shares used to pay the exercise price will not be exercisable thereafter and (2) any remaining balance of the exercise price not satisfied by such net exercise is paid by the Participant in cash or other permitted form of payment; or

(v) in any other form of consideration that may be acceptable to the Board and permissible under Applicable Law.

(d) Exercise Procedure and Payment of Appreciation Distribution for SARs. In order to exercise any SAR, the Participant must provide notice of exercise to the Plan Administrator in accordance with the SAR Agreement. The appreciation distribution payable to a Participant upon the exercise of a SAR will not be greater than an amount equal to the excess of (i) the aggregate Fair Market Value on the date of exercise of a number of shares of Common Stock equal to the number of Common Stock equivalents that are vested and being exercised under such SAR, over (ii) the strike price of such SAR. Such appreciation distribution may be paid to the Participant in the form of Common Stock or cash (or any combination of Common Stock and cash) or in any other form of payment, as determined by the Board and specified in the SAR Agreement.

(e) Transferability. Options and SARs may not be transferred to third party financial institutions for value. The Board may impose such additional limitations on the transferability of an Option or SAR as it determines. In the absence of any such determination by the Board, the following restrictions on the transferability of Options and SARs will apply, provided that except as explicitly provided herein, neither an Option nor a SAR may be transferred for consideration and *provided, further*, that if an Option is an Incentive Stock Option, such Option may be deemed to be a Nonstatutory Stock Option as a result of such transfer:

(i) Restrictions on Transfer. An Option or SAR will not be transferable, except by will or by the laws of descent and distribution, and will be exercisable during the lifetime of the Participant only by the Participant; provided, however, that the Board may permit transfer of an Option or SAR in a manner that is not prohibited by applicable tax and securities laws upon the Participant’s request, including to a trust if the Participant is considered to be the sole beneficial owner of such trust (as determined under Section 671 of the Code and applicable state law) while such Option or SAR is held in such trust, provided that the Participant and the trustee enter into a transfer and other agreements required by the Company.

(ii) Domestic Relations Orders. Notwithstanding the foregoing, subject to the execution of transfer documentation in a format acceptable to the Company and subject to the approval of the Board or a duly authorized Officer, an Option or SAR may be transferred pursuant to a domestic relations order.

(f) Vesting. The Board may impose such restrictions on or conditions to the vesting and/or exercisability of an Option or SAR as determined by the Board. Except as otherwise provided in the applicable Award Agreement or other written agreement between a Participant and the Company or an Affiliate, vesting of Options and SARs will cease upon termination of the Participant’s Continuous Service.

(g) Termination of Continuous Service for Cause. Except as explicitly otherwise provided in the Award Agreement or other written agreement between a Participant and the Company or an Affiliate, if a Participant's Continuous Service is terminated for Cause, the Participant's Options and SARs will terminate and be forfeited immediately upon such termination of Continuous Service, and the Participant will be prohibited from exercising any portion (including any vested portion) of such Awards on and after the date of such termination of Continuous Service and the Participant will have no further right, title or interest in such forfeited Award, the shares of Common Stock subject to the forfeited Award, or any consideration in respect of the forfeited Award.

(h) Post-Termination Exercise Period Following Termination of Continuous Service for Reasons Other than Cause. Subject to Section 4(i), if a Participant's Continuous Service terminates for any reason other than for Cause, the Participant may exercise his or her Option or SAR to the extent vested, but only within the following period of time or, if applicable, such other period of time provided in the Award Agreement or other written agreement between a Participant and the Company or an Affiliate; provided, however, that in no event may such Award be exercised after the expiration of its maximum term (as set forth in Section 4(a)):

(i) three months following the date of such termination if such termination is a termination without Cause (other than any termination due to the Participant's Disability or death);

(ii) 12 months following the date of such termination if such termination is due to the Participant's Disability;

(iii) 18 months following the date of such termination if such termination is due to the Participant's death; or

(iv) 18 months following the date of the Participant's death if such death occurs following the date of such termination but during the period such Award is otherwise exercisable (as provided in (i) or (ii) above).

Following the date of such termination, to the extent the Participant does not exercise such Award within the applicable Post-Termination Exercise Period (or, if earlier, prior to the expiration of the maximum term of such Award), such unexercised portion of the Award will terminate, and the Participant will have no further right, title or interest in the terminated Award, the shares of Common Stock subject to the terminated Award, or any consideration in respect of the terminated Award.

(i) Restrictions on Exercise; Extension of Exercisability. A Participant may not exercise an Option or SAR at any time that the issuance of shares of Common Stock upon such exercise would violate Applicable Law. Except as otherwise provided in the Award Agreement or other written agreement between a Participant and the Company or an Affiliate, if a Participant's Continuous Service terminates for any reason other than for Cause and, at any time during the last thirty days of the applicable Post-Termination Exercise Period: (i) the exercise of the Participant's Option or SAR would be prohibited solely because the issuance of shares of Common Stock upon such exercise would violate Applicable Law, or (ii) the immediate sale of any shares of Common Stock issued upon such exercise would violate the Company's Trading Policy, then the applicable Post-Termination Exercise Period will be extended to the last day of the calendar month that commences following the date the Award would otherwise expire, with an additional extension of the exercise period to the last day of the next calendar month to apply if any of the foregoing restrictions apply at any time during such extended exercise period, generally without limitation as to the maximum permitted number of extensions; provided, however, that in no event may such Award be exercised after the expiration of its maximum term (as set forth in Section 4(a)).

(j) Non-Exempt Employees. No Option or SAR, whether or not vested, granted to an Employee who is a non-exempt employee for purposes of the U.S. Fair Labor Standards Act of 1938, as amended, will be first exercisable for any shares of Common Stock until at least six months following the date of grant of such Award. Notwithstanding the foregoing, in accordance with the provisions of the U.S. Worker Economic Opportunity Act, any vested portion of such Award may be exercised earlier than six months following the date of grant of such

Award in the event of (i) such Participant's death or Disability, (ii) a Corporate Transaction in which such Award is not assumed, continued or substituted, (iii) a Change in Control, or (iv) such Participant's retirement (as such term may be defined in the Award Agreement or another applicable agreement or, in the absence of any such definition, in accordance with the Company's then current employment policies and guidelines). This Section 4(j) is intended to operate so that any income derived by a non-exempt employee in connection with the exercise or vesting of an Option or SAR will be exempt from his or her regular rate of pay.

(k) Whole Shares. Options and SARs may be exercised only with respect to whole shares of Common Stock or their equivalents.

5. AWARDS OTHER THAN OPTIONS AND STOCK APPRECIATION RIGHTS.

(a) Restricted Stock Awards and RSU Awards. Each Restricted Stock Award and RSU Award will have such terms and conditions as determined by the Board; provided, however, that each Restricted Stock Award Agreement and RSU Award Agreement will conform (through incorporation of the provisions hereof by reference in the Award Agreement or otherwise) to the substance of each of the following provisions:

(i) Form of Award.

(1) Restricted Stock Awards: To the extent consistent with the Company's Bylaws, at the Board's election, shares of Common Stock subject to a Restricted Stock Award may be (A) held in book entry form subject to the Company's instructions until such shares become vested or any other restrictions lapse, or (B) evidenced by a certificate, which certificate will be held in such form and manner as determined by the Board. Unless otherwise determined by the Board, a Participant will have voting and other rights as a stockholder of the Company with respect to any shares subject to a Restricted Stock Award.

(2) RSU Awards: An RSU Award represents a Participant's right to be issued on a future date the number of shares of Common Stock that is equal to the number of restricted stock units subject to the RSU Award. As a holder of an RSU Award, a Participant is an unsecured creditor of the Company with respect to the Company's unfunded obligation, if any, to issue shares of Common Stock in settlement of such Award and nothing contained in the Plan or any RSU Award Agreement, and no action taken pursuant to its provisions, will create or be construed to create a trust of any kind or a fiduciary relationship between a Participant and the Company or an Affiliate or any other person. A Participant will not have voting or any other rights as a stockholder of the Company with respect to any RSU Award (unless and until shares are actually issued in settlement of a vested RSU Award).

(ii) Consideration.

(1) Restricted Stock Awards: A Restricted Stock Award may be granted in consideration for (A) cash or check, bank draft or money order payable to the Company, (B) services to the Company or an Affiliate, or (C) any other form of consideration as the Board may determine and permissible under Applicable Law.

(2) RSU Awards: Unless otherwise determined by the Board at the time of grant, an RSU Award will be granted in consideration for the Participant's services to the Company or an Affiliate, such that the Participant will not be required to make any payment to the Company (other than such services) with respect to the grant or vesting of the RSU Award, or the issuance of any shares of Common Stock pursuant to the RSU Award. If, at the time of grant, the Board determines that any consideration must be paid by the Participant (in a form other than the Participant's services to the Company or an Affiliate) upon the issuance of any shares of Common Stock in settlement of the RSU Award, such consideration may be paid in any form of consideration as the Board may determine and permissible under Applicable Law.

(iii) **Vesting.** The Board may impose such restrictions on or conditions to the vesting of a Restricted Stock Award or RSU Award as determined by the Board. Except as otherwise provided in the Award Agreement or other written agreement between a Participant and the Company or an Affiliate, vesting of Restricted Stock Awards and RSU Awards will cease upon termination of the Participant's Continuous Service.

(iv) **Termination of Continuous Service.** Except as otherwise provided in the Award Agreement or other written agreement between a Participant and the Company or an Affiliate, if a Participant's Continuous Service terminates for any reason, (1) the Company may receive through a forfeiture condition or a repurchase right any or all of the shares of Common Stock held by the Participant under his or her Restricted Stock Award that have not vested as of the date of such termination as set forth in the Restricted Stock Award Agreement and the Participant will have no further right, title or interest in the Restricted Stock Award, the shares of Common Stock subject to the Restricted Stock Award, or any consideration in respect of the Restricted Stock Award and (2) any portion of his or her RSU Award that has not vested will be forfeited upon such termination and the Participant will have no further right, title or interest in the RSU Award, the shares of Common Stock issuable pursuant to the RSU Award, or any consideration in respect of the RSU Award.

(v) **Dividends and Dividend Equivalents.** Dividends or dividend equivalents may be paid or credited, as applicable, with respect to any shares of Common Stock subject to a Restricted Stock Award or RSU Award, as determined by the Board and specified in the Award Agreement.

(vi) **Settlement of RSU Awards.** An RSU Award may be settled by the issuance of shares of Common Stock or cash (or any combination thereof) or in any other form of payment, as determined by the Board and specified in the RSU Award Agreement. At the time of grant, the Board may determine to impose such restrictions or conditions that delay such delivery to a date following the vesting of the RSU Award.

(b) **Performance Awards.** With respect to any Performance Award, the length of any Performance Period, the Performance Goals to be achieved during the Performance Period, the other terms and conditions of such Award, and the measure of whether and to what degree such Performance Goals have been attained will be determined by the Board.

(c) **Other Awards.** Other forms of Awards valued in whole or in part by reference to, or otherwise based on, Common Stock, including the appreciation in value thereof may be granted either alone or in addition to Awards provided for under Section 4 and the preceding provisions of this Section 5. Subject to the provisions of the Plan, the Board will have sole and complete discretion to determine the persons to whom and the time or times at which such Other Awards will be granted, the number of shares of Common Stock (or the cash equivalent thereof) to be granted pursuant to such Other Awards and all other terms and conditions of such Other Awards.

6. ADJUSTMENTS UPON CHANGES IN COMMON STOCK; OTHER CORPORATE EVENTS.

(a) **Capitalization Adjustments.** In the event of a Capitalization Adjustment, the Board shall appropriately and proportionately adjust: (i) the class(es) and maximum number of shares of Common Stock subject to the Plan and the maximum number of shares by which the Share Reserve may annually increase pursuant to Section 2(a); (ii) the class(es) and maximum number of shares that may be issued pursuant to the exercise of Incentive Stock Options pursuant to Section 2(b); and (iii) the class(es) and number of securities and exercise price, strike price or purchase price of Common Stock subject to outstanding Awards. The Board shall make such adjustments, and its determination shall be final, binding and conclusive. Notwithstanding the foregoing, no fractional shares or rights for fractional shares of Common Stock shall be created in order to implement any Capitalization Adjustment. The Board shall determine an appropriate equivalent benefit, if any, for any fractional shares or rights to fractional shares that might be created by the adjustments referred to in the preceding provisions of this Section.

(b) Dissolution or Liquidation. Except as otherwise provided in the Award Agreement, in the event of a dissolution or liquidation of the Company, all outstanding Awards (other than Awards consisting of vested and outstanding shares of Common Stock not subject to a forfeiture condition or the Company's right of repurchase) will terminate immediately prior to the completion of such dissolution or liquidation, and the shares of Common Stock subject to the Company's repurchase rights or subject to a forfeiture condition may be repurchased or reacquired by the Company notwithstanding the fact that the holder of such Award is providing Continuous Service, provided, however, that the Board may determine to cause some or all Awards to become fully vested, exercisable and/or no longer subject to repurchase or forfeiture (to the extent such Awards have not previously expired or terminated) before the dissolution or liquidation is completed but contingent on its completion.

(c) Corporate Transaction. The following provisions will apply to Awards in the event of a Corporate Transaction, except as set forth in Section 11, unless otherwise provided in the instrument evidencing the Award or any other written agreement between the Company or any Affiliate and the Participant or unless otherwise expressly provided by the Board at the time of grant of an Award.

(i) Awards May Be Assumed. In the event of a Corporate Transaction, any surviving corporation or acquiring corporation (or the surviving or acquiring corporation's parent company) may assume or continue any or all Awards outstanding under the Plan or may substitute similar awards for Awards outstanding under the Plan (including but not limited to, awards to acquire the same consideration paid to the stockholders of the Company pursuant to the Corporate Transaction), and any reacquisition or repurchase rights held by the Company in respect of Common Stock issued pursuant to Awards may be assigned by the Company to the successor of the Company (or the successor's parent company, if any), in connection with such Corporate Transaction. A surviving corporation or acquiring corporation (or its parent) may choose to assume or continue only a portion of an Award or substitute a similar award for only a portion of an Award, or may choose to assume, continue or substitute the Awards held by some, but not all Participants. The terms of any assumption, continuation or substitution will be set by the Board.

(ii) Awards Held by Current Participants. In the event of a Corporate Transaction in which the surviving corporation or acquiring corporation (or its parent company) does not assume or continue such outstanding Awards or substitute similar awards for such outstanding Awards, then with respect to Awards that have not been assumed, continued or substituted and that are held by Participants whose Continuous Service has not terminated prior to the effective time of the Corporate Transaction (referred to as the "**Current Participants**"), the vesting of such Awards (and, with respect to Options and Stock Appreciation Rights, the time when such Awards may be exercised) will be accelerated in full to a date prior to the effective time of such Corporate Transaction (contingent upon the effectiveness of the Corporate Transaction) as the Board determines (or, if the Board does not determine such a date, to the date that is five days prior to the effective time of the Corporate Transaction), and such Awards will terminate if not exercised (if applicable) at or prior to the effective time of the Corporate Transaction, and any reacquisition or repurchase rights held by the Company with respect to such Awards will lapse (contingent upon the effectiveness of the Corporate Transaction). With respect to the vesting of Performance Awards that will accelerate upon the occurrence of a Corporate Transaction pursuant to this subsection (ii) and that have multiple vesting levels depending on the level of performance, unless otherwise provided in the Award Agreement, the vesting of such Performance Awards will accelerate at 100% of the target level upon the occurrence of the Corporate Transaction in which the Awards are not assumed, continued or substituted in accordance with Section 6(c)(i). With respect to the vesting of Awards that will accelerate upon the occurrence of a Corporate Transaction pursuant to this subsection (ii) and are settled in the form of a cash payment, such cash payment will be made no later than 30 days following the occurrence of the Corporate Transaction or such later date as required to comply with Section 409A of the Code.

(iii) Awards Held by Persons other than Current Participants. In the event of a Corporate Transaction in which the surviving corporation or acquiring corporation (or its parent company) does not assume or continue such outstanding Awards or substitute similar awards for such outstanding Awards, then with respect to Awards that have not been assumed, continued or substituted and that are held by persons other than Current

Participants, such Awards will terminate if not exercised (if applicable) prior to the occurrence of the Corporate Transaction; provided, however, that any reacquisition or repurchase rights held by the Company with respect to such Awards will not terminate and may continue to be exercised notwithstanding the Corporate Transaction.

(iv) Payment for Awards in Lieu of Exercise. Notwithstanding the foregoing, in the event an Award will terminate if not exercised prior to the effective time of a Corporate Transaction, the Board may provide, in its sole discretion, that the holder of such Award may not exercise such Award but will receive a payment, in such form as may be determined by the Board, equal in value, at the effective time, to the excess, if any, of (1) the value of the property the Participant would have received upon the exercise of the Award (including, at the discretion of the Board, any unvested portion of such Award), over (2) any exercise price payable by such holder in connection with such exercise.

(d) Appointment of Stockholder Representative. As a condition to the receipt of an Award under this Plan, a Participant will be deemed to have agreed that the Award will be subject to the terms of any agreement governing a Corporate Transaction involving the Company, including, without limitation, a provision for the appointment of a stockholder representative that is authorized to act on the Participant's behalf with respect to any escrow, indemnities and any contingent consideration.

(e) No Restriction on Right to Undertake Transactions. The grant of any Award under the Plan and the issuance of shares pursuant to any Award does not affect or restrict in any way the right or power of the Company, the Board or the stockholders of the Company to make or authorize any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, any Change in Control, any Corporate Transaction, any merger or consolidation of the Company, any issue of stock or of options, rights or options to purchase stock or of bonds, debentures, preferred or prior preference stocks whose rights are superior to or affect the Common Stock or the rights thereof or which are convertible into or exchangeable for Common Stock, or the dissolution or liquidation of the Company, or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise.

7. ADMINISTRATION.

(a) Administration by Board. The Board will administer the Plan unless and until the Board delegates administration of the Plan to a Committee or Committees, as provided in subsection (c) below.

(b) Powers of Board. The Board will have the power, subject to, and within the limitations of, the express provisions of the Plan:

(i) To determine from time to time (1) which of the persons eligible under the Plan will be granted Awards; (2) when and how each Award will be granted; (3) what type or combination of types of Award will be granted; (4) the provisions of each Award granted (which need not be identical), including the time or times when a person will be permitted to receive an issuance of Common Stock or other payment pursuant to an Award; (5) the number of shares of Common Stock or cash equivalent with respect to which an Award will be granted to each such person; (6) the Fair Market Value applicable to an Award; and (7) the terms of any Performance Award that is not valued in whole or in part by reference to, or otherwise based on, the Common Stock, including the amount of cash payment or other property that may be earned and the timing of payment.

(ii) To construe and interpret the Plan and Awards granted under it, and to establish, amend and revoke rules and regulations for its administration. The Board, in the exercise of this power, may correct any defect, omission or inconsistency in the Plan or in any Award Agreement, in a manner and to the extent it deems necessary or expedient to make the Plan or Award fully effective.

(iii) To settle all controversies regarding the Plan and Awards granted under it.

(iv) To accelerate the time at which an Award may first be exercised or the time during which an Award or any part thereof will vest, notwithstanding the provisions in the Award Agreement stating the time at which it may first be exercised or the time during which it will vest.

(v) To prohibit the exercise of any Option, SAR or other exercisable Award during a period of up to 30 days prior to the consummation of any pending stock dividend, stock split, combination or exchange of shares, merger, consolidation or other distribution (other than normal cash dividends) of Company assets to stockholders, or any other change affecting the shares of Common Stock or the share price of the Common Stock, including any Corporate Transaction, for reasons of administrative convenience.

(vi) To suspend or terminate the Plan at any time. Suspension or termination of the Plan will not Materially Impair rights and obligations under any Award granted while the Plan is in effect except with the written consent of the affected Participant.

(vii) To amend the Plan in any respect the Board deems necessary or advisable; provided, however, that stockholder approval will be required for any amendment to the extent required by Applicable Law. Except as provided above, rights under any Award granted before amendment of the Plan will not be Materially Impaired by any amendment of the Plan unless (1) the Company requests the consent of the affected Participant, and (2) such Participant consents in writing.

(viii) To submit any amendment to the Plan for stockholder approval.

(ix) To approve forms of Award Agreements for use under the Plan and to amend the terms of any one or more Awards, including, but not limited to, amendments to provide terms more favorable to the Participant than previously provided in the Award Agreement, subject to any specified limits in the Plan that are not subject to Board discretion; *provided however*, that, a Participant's rights under any Award will not be Materially Impaired by any such amendment unless (1) the Company requests the consent of the affected Participant, and (2) such Participant consents in writing.

(x) Generally, to exercise such powers and to perform such acts as the Board deems necessary or expedient to promote the best interests of the Company and that are not in conflict with the provisions of the Plan or Awards.

(xi) To adopt such procedures and sub-plans as are necessary or appropriate to permit and facilitate participation in the Plan by, or take advantage of specific tax treatment for Awards granted to, Employees, Directors or Consultants who are non-U.S. nationals or employed outside the United States (provided that Board approval will not be necessary for immaterial modifications to the Plan or any Award Agreement to ensure or facilitate compliance with the laws of the relevant non-U.S. jurisdiction).

(xii) To effect, at any time and from time to time, subject to the consent of any Participant whose Award is Materially Impaired by such action, (1) the reduction of the exercise price (or strike price) of any outstanding Option or SAR; (2) the cancellation of any outstanding Option or SAR and the grant in substitution therefor of (A) a new Option, SAR, Restricted Stock Award, RSU Award or Other Award, under the Plan or another equity plan of the Company, covering the same or a different number of shares of Common Stock, (B) cash and/or (C) other valuable consideration (as determined by the Board); or (3) any other action that is treated as a repricing under generally accepted accounting principles.

(c) Delegation to Committee.

(i) General. The Board may delegate some or all of the administration of the Plan to a Committee or Committees. If administration of the Plan is delegated to a Committee, the Committee will have, in connection with the administration of the Plan, the powers theretofore possessed by the Board that have been delegated to

the Committee, including the power to delegate to another Committee or a subcommittee of the Committee any of the administrative powers the Committee is authorized to exercise (and references in this Plan to the Board will thereafter be to the Committee or subcommittee), subject, however, to such resolutions, not inconsistent with the provisions of the Plan, as may be adopted from time to time by the Board. Each Committee may retain the authority to concurrently administer the Plan with the Committee or subcommittee to which it has delegated its authority hereunder and may, at any time, revert in such Committee some or all of the powers previously delegated. The Board may retain the authority to concurrently administer the Plan with any Committee and may, at any time, revert in the Board some or all of the powers previously delegated.

(ii) Rule 16b-3 Compliance. To the extent an Award is intended to qualify for the exemption from Section 16(b) of the Exchange Act that is available under Rule 16b-3 of the Exchange Act, the Award will be granted by the Board or a Committee that consists solely of two or more Non-Employee Directors, as determined under Rule 16b-3(b)(3) of the Exchange Act and thereafter any action establishing or modifying the terms of the Award will be approved by the Board or a Committee meeting such requirements to the extent necessary for such exemption to remain available.

(d) Effect of Board's Decision. All determinations, interpretations and constructions made by the Board or any Committee in good faith will not be subject to review by any person and will be final, binding and conclusive on all persons.

(e) Delegation to Other Person or Body. The Board or any Committee may delegate to one or more persons or bodies the authority to do one or more of the following to the extent permitted by Applicable Law: (i) designate recipients, other than Officers, of Awards, provided that no person or body may be delegated authority to grant an Award to itself; (ii) determine the number of shares subject to such Awards; and (iii) determine the terms of such Awards; provided, however, that the Board or Committee action regarding such delegation will fix the terms of such delegation in accordance with Applicable Law, including without limitation Sections 152 and 157 of the Delaware General Corporation Law. Unless provided otherwise in the Board or Committee action regarding such delegation, each Award granted pursuant to this section will be granted on the applicable form of Award Agreement most recently approved for use by the Board or the Committee, with any modifications necessary to incorporate or reflect the terms of such Award. Notwithstanding anything to the contrary herein, neither the Board nor any Committee may delegate to any person or body (who is not a Director or that is not comprised solely of Directors, respectively) the authority to determine the Fair Market Value.

8. TAX WITHHOLDING

(a) Withholding Authorization. As a condition to acceptance of any Award under the Plan, a Participant authorizes withholding from payroll and any other amounts payable to such Participant, and otherwise agrees to make adequate arrangements to satisfy the Tax-Related Items withholding obligations, if any, of the Company and/or an Affiliate that arise in connection with the grant, vesting, exercise or settlement of such Award, as applicable. Accordingly, a Participant may not be able to exercise an Award even though the Award is vested, and the Company shall have no obligation to issue shares of Common Stock subject to an Award, unless and until such obligations are satisfied.

(b) Satisfaction of Withholding Obligation. To the extent permitted by the terms of an Award Agreement, the Company may, in its sole discretion, satisfy any Tax-Related Items withholding obligation relating to an Award by any of the following means or by a combination of such means: (i) causing the Participant to tender a cash payment; (ii) withholding shares of Common Stock from the shares of Common Stock issued or otherwise issuable to the Participant in connection with the Award; (iii) withholding cash from an Award settled in cash; (iv) withholding payment from any amounts otherwise payable to the Participant; (v) by allowing a Participant to effectuate a "cashless exercise" pursuant to a program developed under Regulation T as promulgated by the U.S. Federal Reserve Board; or (vi) by such other method as may be set forth in the Award Agreement.

(c) No Obligation to Notify or Minimize Taxes; No Liability to Claims. Except as required by Applicable Law, the Company has no duty or obligation to any Participant to advise such holder as to the time or manner of exercising such Award. Furthermore, the Company has no duty or obligation to warn or otherwise advise such holder of a pending termination or expiration of an Award or a possible period in which the Award may not be exercised. The Company has no duty or obligation to minimize the tax consequences of an Award to the holder of such Award and will not be liable to any holder of an Award for any adverse tax consequences to such holder in connection with an Award. As a condition to accepting an Award under the Plan, each Participant (i) agrees to not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates related to tax liabilities arising from such Award or other Company compensation and (ii) acknowledges that such Participant was advised to consult with his or her own personal tax, financial and other legal advisors regarding the tax consequences of the Award and has either done so or knowingly and voluntarily declined to do so. Additionally, each Participant acknowledges any Option or SAR granted under the Plan is exempt from Section 409A only if the exercise or strike price is at least equal to the “fair market value” of the Common Stock on the date of grant as determined by the U.S. Internal Revenue Service and there is no other impermissible deferral of compensation associated with the Award. Additionally, as a condition to accepting an Option or SAR granted under the Plan, each Participant agrees to not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates in the event that the U.S. Internal Revenue Service asserts that such exercise price or strike price is less than the “fair market value” of the Common Stock on the date of grant as subsequently determined by the U.S. Internal Revenue Service.

(d) Withholding Indemnification. The Company and/or its Affiliate may withhold or account for Tax-Related Items by considering statutory or other withholding rates, including minimum or maximum rates applicable in a Participant’s jurisdiction. In the event of overwithholding, the Participant may receive a refund of any over-withheld amount in cash (with no entitlement to the equivalent in Common Stock) or, if not refunded, the Participant may seek a refund from the local tax authorities. In the event of under-withholding, the Participant may be required to pay any additional Tax-Related Items directly to the applicable tax authority or to the Company and/or its Affiliate. As a condition to accepting an Award under the Plan, in the event that the amount of the Company’s and/or its Affiliate’s withholding obligation in connection with such Award was greater than the amount actually withheld by the Company and/or its Affiliates, each Participant agrees to indemnify and hold the Company and/or its Affiliates harmless from any failure by the Company and/or its Affiliates to withhold the proper amount. Further, if the obligation for Tax-Related Items is satisfied by withholding in shares of Common Stock, for tax purposes, the Participant will be deemed to have been issued the full number of shares subject to the Award, notwithstanding that a number of the shares is held back solely for the purpose of paying the Tax-Related Items.

9. MISCELLANEOUS.

(a) Source of Shares. The stock issuable under the Plan will be shares of authorized but unissued or reacquired Common Stock, including shares repurchased by the Company on the open market or otherwise.

(b) Use of Proceeds from Sales of Common Stock. Proceeds from the sale of shares of Common Stock pursuant to Awards will constitute general funds of the Company.

(c) Corporate Action Constituting Grant of Awards. Corporate action constituting a grant by the Company of an Award to any Participant will be deemed completed as of the date of such corporate action, unless otherwise determined by the Board, regardless of when the instrument, certificate, or letter evidencing the Award is communicated to, or actually received or accepted by, the Participant. In the event that the corporate records (e.g., Board consents, resolutions or minutes) documenting the corporate action approving the grant contain terms (e.g., exercise price, vesting schedule or number of shares) that are inconsistent with those in the Award Agreement or related grant documents as a result of a clerical error in the Award Agreement or related grant documents, the corporate records will control and the Participant will have no legally binding right to the incorrect term in the Award Agreement or related grant documents.

(d) Stockholder Rights. No Participant will be deemed to be the holder of, or to have any of the rights of a holder with respect to, any shares of Common Stock subject to such Award unless and until (i) such Participant has satisfied all requirements for exercise of the Award pursuant to its terms, if applicable, and (ii) the issuance of the Common Stock subject to such Award is reflected in the records of the Company.

(e) No Employment or Other Service Rights. Nothing in the Plan, any Award Agreement or any other instrument executed thereunder or in connection with any Award granted pursuant thereto will confer upon any Participant any right to continue to serve the Company or an Affiliate in the capacity in effect at the time the Award was granted or affect the right of the Company or an Affiliate to terminate at will (unless otherwise required under Applicable Law) and without regard to any future vesting opportunity that a Participant may have with respect to any Award (i) the employment of an Employee with or without notice and with or without Cause, (ii) the service of a Consultant pursuant to the terms of such Consultant's agreement with the Company or an Affiliate, or (iii) the service of a Director pursuant to the Bylaws of the Company or an Affiliate, and any applicable provisions of the corporate law of the U.S. state or non-U.S. jurisdiction in which the Company or the Affiliate is incorporated, as the case may be. Further, nothing in the Plan, any Award Agreement or any other instrument executed thereunder or in connection with any Award will constitute any promise or commitment by the Company or an Affiliate regarding the fact or nature of future positions, future work assignments, future compensation or any other term or condition of employment or service or confer any right or benefit under the Award or the Plan unless such right or benefit has specifically accrued under the terms of the Award Agreement and/or Plan.

(f) Change in Time Commitment. In the event a Participant's regular level of time commitment in the performance of his or her services for the Company and any Affiliates is reduced (for example, and without limitation, if the Participant is an Employee of the Company and the Employee has a change in status from a full-time Employee to a part-time Employee or takes an extended leave of absence) after the date of grant of any Award to the Participant, the Board may determine, to the extent permitted by Applicable Law, to (i) make a corresponding reduction in the number of shares or cash amount subject to any portion of such Award that is scheduled to vest or become payable after the date of such change in time commitment, and (ii) in lieu of or in combination with such a reduction, extend the vesting or payment schedule applicable to such Award. In the event of any such reduction, the Participant will have no right with respect to any portion of the Award that is so reduced or extended.

(g) Execution of Additional Documents. As a condition to accepting an Award under the Plan, the Participant agrees to execute any additional documents or instruments necessary or desirable, as determined in the Plan Administrator's sole discretion, to carry out the purposes or intent of the Award, or facilitate compliance with securities and/or other regulatory requirements, in each case at the Plan Administrator's request.

(h) Electronic Delivery and Participation. Any reference herein or in an Award Agreement to a "written" agreement or document will include any agreement or document delivered electronically, filed publicly at www.sec.gov (or any successor website thereto) or posted on the Company's intranet (or other shared electronic medium controlled by the Company to which the Participant has access). By accepting any Award the Participant consents to receive documents by electronic delivery and to participate in the Plan through any on-line electronic system established and maintained by the Plan Administrator or another third party selected by the Plan Administrator. The form of delivery of any Common Stock (e.g., a stock certificate or electronic entry evidencing such shares) shall be determined by the Company.

(i) Clawback/Recovery. All Awards granted under the Plan will be subject to recoupment in accordance with any clawback policy that the Company is required to adopt pursuant to the listing standards of any national securities exchange or association on which the Company's securities are listed or as is otherwise required by the Dodd-Frank Wall Street Reform and Consumer Protection Act or other Applicable Law and any clawback policy that the Company otherwise adopts, to the extent applicable and permissible under Applicable Law. In addition, the Board may impose such other clawback, recovery or recoupment provisions in an Award Agreement as the

Board determines necessary or appropriate, including but not limited to a reacquisition right in respect of previously acquired shares of Common Stock or other cash or property upon the occurrence of Cause. No recovery of compensation under such a clawback policy will be an event giving rise to a Participant's right to voluntarily terminate employment upon a "resignation for good reason," or for a "constructive termination" or any similar term under any plan of or agreement with the Company.

(j) Securities Law Compliance. A Participant will not be issued any shares in respect of an Award unless either (i) the shares are registered under the Securities Act or (ii) the Company has determined that such issuance would be exempt from the registration requirements of the Securities Act. Each Award also must comply with other Applicable Law governing the Award, and a Participant will not receive such shares if the Company determines that such receipt would not be in material compliance with Applicable Law.

(k) Transfer or Assignment of Awards; Issued Shares. Except as expressly provided in the Plan or the form of Award Agreement, Awards granted under the Plan may not be transferred or assigned by the Participant. After the vested shares subject to an Award have been issued, or in the case of a Restricted Stock Award and similar awards, after the issued shares have vested, the holder of such shares is free to assign, hypothecate, donate, encumber or otherwise dispose of any interest in such shares provided that any such actions are in compliance with the provisions herein, the terms of the Trading Policy and Applicable Law.

(l) Effect on Other Employee Benefit Plans. The value of any Award granted under the Plan, as determined upon grant, vesting or settlement, shall not be included as compensation, earnings, salaries, or other similar terms used when calculating any Participant's benefits under any employee benefit plan sponsored by the Company or any Affiliate, except as such plan otherwise expressly provides. The Company expressly reserves its rights to amend, modify, or terminate any of the Company's or any Affiliate's employee benefit plans.

(m) Deferrals. To the extent permitted by Applicable Law, the Board, in its sole discretion, may determine that the delivery of Common Stock or the payment of cash, upon the exercise, vesting or settlement of all or a portion of any Award may be deferred and may also establish programs and procedures for deferral elections to be made by Participants. Deferrals will be made in accordance with the requirements of Section 409A.

(n) Section 409A. Unless otherwise expressly provided for in an Award Agreement, the Plan and Award Agreements will be interpreted to the greatest extent possible in a manner that makes the Plan and the Awards granted hereunder exempt from Section 409A, and, to the extent not so exempt, in compliance with the requirements of Section 409A. If the Board determines that any Award granted hereunder is not exempt from and is therefore subject to Section 409A, the Award Agreement evidencing such Award will incorporate the terms and conditions necessary to avoid the consequences specified in Section 409A(a)(1) of the Code, and to the extent an Award Agreement is silent on terms necessary for compliance, such terms are hereby incorporated by reference into the Award Agreement. Notwithstanding anything to the contrary in this Plan (and unless the Award Agreement specifically provides otherwise), if the shares of Common Stock are publicly traded, and if a Participant holding an Award that constitutes "deferred compensation" under Section 409A is a "specified employee" for purposes of Section 409A, no distribution or payment of any amount that is due because of a "separation from service" (as defined in Section 409A without regard to alternative definitions thereunder) will be issued or paid before the date that is six months and one day following the date of such Participant's "separation from service" or, if earlier, the date of the Participant's death, unless such distribution or payment can be made in a manner that complies with Section 409A, and any amounts so deferred will be paid in a lump sum on the day after such six month period elapses, with the balance paid thereafter on the original schedule.

(o) Choice of Law. This Plan and any controversy arising out of or relating to this Plan shall be governed by, and construed in accordance with, the internal laws of the State of Delaware, without regard to conflict of law principles that would result in any application of any law other than the law of the State of Delaware.

10. COVENANTS OF THE COMPANY.

The Company will seek to obtain from each regulatory commission or agency, as may be deemed to be necessary, having jurisdiction over the Plan such authority as may be required to grant Awards and to issue and sell shares of Common Stock upon exercise or vesting of the Awards; provided, however, that this undertaking will not require the Company to register under the Securities Act the Plan, any Award or any Common Stock issued or issuable pursuant to any such Award. If, after reasonable efforts and at a reasonable cost, the Company is unable to obtain from any such regulatory commission or agency the authority that counsel for the Company deems necessary or advisable for the lawful issuance and sale of Common Stock under the Plan, the Company will be relieved from any liability for failure to issue and sell Common Stock upon exercise or vesting of such Awards unless and until such authority is obtained. A Participant is not eligible for the grant of an Award or the subsequent issuance of Common Stock pursuant to the Award if such grant or issuance would be in violation of any Applicable Law.

11. ADDITIONAL RULES FOR AWARDS SUBJECT TO SECTION 409A.

(a) Application. Unless the provisions of this Section of the Plan are expressly superseded by the provisions in the form of Award Agreement, the provisions of this Section shall apply and shall supersede anything to the contrary set forth in the Award Agreement for a Non-Exempt Award.

(b) Non-Exempt Awards Subject to Non-Exempt Severance Arrangements. To the extent a Non-Exempt Award is subject to Section 409A due to application of a Non-Exempt Severance Arrangement, the following provisions of this subsection (b) apply.

(i) If the Non-Exempt Award vests in the ordinary course during the Participant's Continuous Service in accordance with the vesting schedule set forth in the Award Agreement, and does not accelerate vesting under the terms of a Non-Exempt Severance Arrangement, in no event will the shares be issued in respect of such Non-Exempt Award any later than the later of: (i) December 31st of the calendar year that includes the applicable vesting date; or (ii) the 60th day that follows the applicable vesting date.

(ii) If vesting of the Non-Exempt Award accelerates under the terms of a Non-Exempt Severance Arrangement in connection with the Participant's Separation from Service, and such vesting acceleration provisions were in effect as of the date of grant of the Non-Exempt Award and, therefore, are part of the terms of such Non-Exempt Award as of the date of grant, then the shares will be earlier issued in settlement of such Non-Exempt Award upon the Participant's Separation from Service in accordance with the terms of the Non-Exempt Severance Arrangement, but in no event later than the 60th day that follows the date of the Participant's Separation from Service. However, if at the time the shares would otherwise be issued the Participant is subject to the distribution limitations contained in Section 409A applicable to "specified employees," as defined in Section 409A(a)(2)(B)(i) of the Code, such shares shall not be issued before the date that is six months following the date of such Participant's Separation from Service, or, if earlier, the date of the Participant's death that occurs within such six-month period.

(iii) If vesting of a Non-Exempt Award accelerates under the terms of a Non-Exempt Severance Arrangement in connection with a Participant's Separation from Service, and such vesting acceleration provisions were not in effect as of the date of grant of the Non-Exempt Award and, therefore, are not a part of the terms of such Non-Exempt Award on the date of grant, then such acceleration of vesting of the Non-Exempt Award shall not accelerate the issuance date of the shares, but the shares shall instead be issued on the same schedule as set forth in the Grant Notice as if they had vested in the ordinary course during the Participant's Continuous Service, notwithstanding the vesting acceleration of the Non-Exempt Award. Such issuance schedule is intended to satisfy the requirements of payment on a specified date or pursuant to a fixed schedule, as provided under U.S. Treasury Regulations Section 1.409A-3(a)(4).

(c) Treatment of Non-Exempt Awards Upon a Corporate Transaction for Employees and Consultants. The provisions of this subsection (c) shall apply and shall supersede anything to the contrary set forth in the Plan

with respect to the permitted treatment of any Non-Exempt Award in connection with a Corporate Transaction if the Participant was either an Employee or Consultant upon the applicable date of grant of the Non-Exempt Award.

(i) Vested Non-Exempt Awards. The following provisions shall apply to any Vested Non-Exempt Award in connection with a Corporate Transaction:

(1) If the Corporate Transaction is also a Section 409A Change in Control then the Acquiring Entity may not assume, continue or substitute the Vested Non-Exempt Award. Upon the Section 409A Change in Control the settlement of the Vested Non-Exempt Award will automatically be accelerated and the shares will be immediately issued in respect of the Vested Non-Exempt Award. Alternatively, the Company may instead provide that the Participant will receive a cash settlement equal to the Fair Market Value of the shares that would otherwise be issued to the Participant upon the Section 409A Change in Control.

(2) If the Corporate Transaction is not also a Section 409A Change in Control, then the Acquiring Entity must either assume, continue or substitute each Vested Non-Exempt Award. The shares to be issued in respect of the Vested Non-Exempt Award shall be issued to the Participant by the Acquiring Entity on the same schedule that the shares would have been issued to the Participant if the Corporate Transaction had not occurred. In the Acquiring Entity's discretion, in lieu of an issuance of shares, the Acquiring Entity may instead substitute a cash payment on each applicable issuance date, equal to the Fair Market Value of the shares that would otherwise be issued to the Participant on such issuance dates, with the determination of the Fair Market Value of the shares made on the date of the Corporate Transaction.

(ii) Unvested Non-Exempt Awards. The following provisions shall apply to any Unvested Non-Exempt Award unless otherwise determined by the Board pursuant to subsection (e) of this Section.

(1) In the event of a Corporate Transaction, the Acquiring Entity shall assume, continue or substitute any Unvested Non-Exempt Award. Unless otherwise determined by the Board, any Unvested Non-Exempt Award will remain subject to the same vesting and forfeiture restrictions that were applicable to the Award prior to the Corporate Transaction. The shares to be issued in respect of any Unvested Non-Exempt Award shall be issued to the Participant by the Acquiring Entity on the same schedule that the shares would have been issued to the Participant if the Corporate Transaction had not occurred. In the Acquiring Entity's discretion, in lieu of an issuance of shares, the Acquiring Entity may instead substitute a cash payment on each applicable issuance date, equal to the Fair Market Value of the shares that would otherwise be issued to the Participant on such issuance dates, with the determination of Fair Market Value of the shares made on the date of the Corporate Transaction.

(2) If the Acquiring Entity will not assume, substitute or continue any Unvested Non-Exempt Award in connection with a Corporate Transaction, then such Award shall automatically terminate and be forfeited upon the Corporate Transaction with no consideration payable to any Participant in respect of such forfeited Unvested Non-Exempt Award. Notwithstanding the foregoing, to the extent permitted and in compliance with the requirements of Section 409A, the Board may in its discretion determine to elect to accelerate the vesting and settlement of the Unvested Non-Exempt Award upon the Corporate Transaction, or instead substitute a cash payment equal to the Fair Market Value of such shares that would otherwise be issued to the Participant, as further provided in subsection (e)(ii) below. In the absence of such discretionary election by the Board, any Unvested Non-Exempt Award shall be forfeited without payment of any consideration to the affected Participants if the Acquiring Entity will not assume, substitute or continue the Unvested Non-Exempt Awards in connection with the Corporate Transaction.

(3) The foregoing treatment shall apply with respect to all Unvested Non-Exempt Awards upon any Corporate Transaction, and regardless of whether or not such Corporate Transaction is also a Section 409A Change in Control.

(d) Treatment of Non-Exempt Awards Upon a Corporate Transaction for Non-Employee Directors. The following provisions of this subsection (d) shall apply and shall supersede anything to the contrary that may be set forth in the Plan with respect to the permitted treatment of a Non-Exempt Director Award in connection with a Corporate Transaction.

(i) If the Corporate Transaction is also a Section 409A Change in Control then the Acquiring Entity may not assume, continue or substitute the Non-Exempt Director Award. Upon the Section 409A Change in Control the vesting and settlement of any Non-Exempt Director Award will automatically be accelerated and the shares will be immediately issued to the Participant in respect of the Non-Exempt Director Award. Alternatively, the Company may provide that the Participant will instead receive a cash settlement equal to the Fair Market Value of the shares that would otherwise be issued to the Participant upon the Section 409A Change in Control pursuant to the preceding provision.

(ii) If the Corporate Transaction is not also a Section 409A Change in Control, then the Acquiring Entity must either assume, continue or substitute the Non-Exempt Director Award. Unless otherwise determined by the Board, the Non-Exempt Director Award will remain subject to the same vesting and forfeiture restrictions that were applicable to the Award prior to the Corporate Transaction. The shares to be issued in respect of the Non-Exempt Director Award shall be issued to the Participant by the Acquiring Entity on the same schedule that the shares would have been issued to the Participant if the Corporate Transaction had not occurred. In the Acquiring Entity's discretion, in lieu of an issuance of shares, the Acquiring Entity may instead substitute a cash payment on each applicable issuance date, equal to the Fair Market Value of the shares that would otherwise be issued to the Participant on such issuance dates, with the determination of Fair Market Value made on the date of the Corporate Transaction.

(e) If the RSU Award is a Non-Exempt Award, then the provisions in this Section 11(e) shall apply and supersede anything to the contrary that may be set forth in the Plan or the Award Agreement with respect to the permitted treatment of such Non-Exempt Award:

(i) Any exercise by the Board of discretion to accelerate the vesting of a Non-Exempt Award shall not result in any acceleration of the scheduled issuance dates for the shares in respect of the Non-Exempt Award unless earlier issuance of the shares upon the applicable vesting dates would be in compliance with the requirements of Section 409A.

(ii) The Company explicitly reserves the right to earlier settle any Non-Exempt Award to the extent permitted and in compliance with the requirements of Section 409A, including pursuant to any of the exemptions available in U.S. Treasury Regulations Section 1.409A-3(j)(4)(ix).

(iii) To the extent the terms of any Non-Exempt Award provide that it will be settled upon a Change in Control or Corporate Transaction, to the extent it is required for compliance with the requirements of Section 409A, the Change in Control or Corporate Transaction event triggering settlement must also constitute a Section 409A Change in Control. To the extent the terms of a Non-Exempt Award provide that it will be settled upon a termination of employment or termination of Continuous Service, to the extent it is required for compliance with the requirements of Section 409A, the termination event triggering settlement must also constitute a Separation From Service. However, if at the time the shares would otherwise be issued to a Participant in connection with a "separation from service" such Participant is subject to the distribution limitations contained in Section 409A applicable to "specified employees," as defined in Section 409A(a)(2)(B)(i) of the Code, such shares shall not be issued before the date that is six months following the date of the Participant's Separation From Service, or, if earlier, the date of the Participant's death that occurs within such six month period.

(iv) The provisions in this subsection (e) for delivery of the shares in respect of the settlement of an RSU Award that is a Non-Exempt Award are intended to comply with the requirements of Section 409A so that

the delivery of the shares to the Participant in respect of such Non-Exempt Award will not trigger the additional tax imposed under Section 409A, and any ambiguities herein will be so interpreted.

12. SEVERABILITY.

If all or any part of the Plan or any Award Agreement is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity shall not invalidate any portion of the Plan or such Award Agreement not declared to be unlawful or invalid. Any Section of the Plan or any Award Agreement (or part of such a Section) so declared to be unlawful or invalid shall, if possible, be construed in a manner which will give effect to the terms of such Section or part of a Section to the fullest extent possible while remaining lawful and valid.

13. TERMINATION OF THE PLAN.

The Board may suspend or terminate the Plan at any time. No Incentive Stock Options may be granted after the tenth anniversary of the earlier of: (i) the Adoption Date; or (ii) the date the Plan is approved by the Company's stockholders. No Awards may be granted under the Plan while the Plan is suspended or after it is terminated.

14. DEFINITIONS.

As used in the Plan, the following definitions apply to the capitalized terms indicated below:

(a) "**Acquiring Entity**" means the surviving or acquiring corporation (or its parent company) in connection with a Corporate Transaction.

(b) "**Adoption Date**" means the date the Plan is first approved by the Board or Compensation Committee, as applicable.

(c) "**Affiliate**" means, at the time of determination, any "parent" or "subsidiary" of the Company as such terms are defined in Rule 405 promulgated under the Securities Act. The Board may determine the time or times at which "parent" or "subsidiary" status is determined within the foregoing definition.

(d) "**Applicable Law**" means the Code and any applicable U.S. and non-U.S. securities, exchange, control, tax, federal, state, material local or municipal or other law, statute, constitution, principle of common law, resolution, ordinance, code, edict, decree, rule, listing rule, regulation, judicial decision, ruling or requirement issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any Governmental Body (including under the authority of any applicable self-regulating organization such as the Nasdaq Stock Market, New York Stock Exchange, or the Financial Industry Regulatory Authority).

(e) "**Award**" means any right to receive Common Stock, cash or other property granted under the Plan (including an Incentive Stock Option, a Nonstatutory Stock Option, a Restricted Stock Award, an RSU Award, a SAR, a Performance Award or any Other Award).

(f) "**Award Agreement**" means a written or electronic agreement between the Company and a Participant evidencing the terms and conditions of an Award. The Award Agreement generally consists of the Grant Notice and the agreement containing the written summary of the general terms and conditions applicable to the Award and which is provided, including through electronic means, to a Participant along with the Grant Notice.

(g) "**Board**" means the Board of Directors of the Company (or its designee). Any decision or determination made by the Board shall be a decision or determination that is made in the sole discretion of the Board (or its designee), and such decision or determination shall be final and binding on all Participants.

(h) “**Capitalization Adjustment**” means any change that is made in, or other events that occur with respect to, the Common Stock subject to the Plan or subject to any Award after the Adoption Date without the receipt of consideration by the Company through merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, large nonrecurring cash dividend, stock split, reverse stock split, liquidating dividend, combination of shares, exchange of shares, change in corporate structure or any similar equity restructuring transaction, as that term is used in Statement of Financial Accounting Standards Board Accounting Standards Codification Topic 718 (or any successor thereto). Notwithstanding the foregoing, the conversion of any convertible securities of the Company will not be treated as a Capitalization Adjustment.

(i) “**Cause**” has the meaning ascribed to such term in any written agreement between a Participant and the Company or any Affiliate of the Company defining such term and, in the absence of such agreement, such term means, with respect to a Participant, the occurrence of any of the following events: (i) the Participant’s dishonest statements or acts with respect to the Company or any Affiliate of the Company, or any current or prospective customers, suppliers, vendors or other third parties with which such entity does business; (ii) the Participant’s commission of (A) a felony or (B) any misdemeanor involving moral turpitude, deceit, dishonesty or fraud, or in each case the equivalent in any relevant jurisdiction; (iii) the Participant’s failure to perform the Participant’s assigned duties and responsibilities to the reasonable satisfaction of the Company or any Affiliate of the Company which failure continues, in the reasonable judgment of the Company, after written notice given to the Participant by the Company or any Affiliate of the Company; (iv) the Participant’s gross negligence, willful misconduct or insubordination with respect to the Company or any Affiliate of the Company; or (v) the Participant’s material violation of any provision of any agreement(s) between the Participant and the Company or any Affiliate of the Company relating to noncompetition, nonsolicitation, nondisclosure and/or assignment of inventions. The determination that a termination of the Participant’s Continuous Service is either for Cause or without Cause will be made by the Board with respect to Participants who are executive officers of the Company and by the Company’s Chief Executive Officer with respect to Participants who are not executive officers of the Company. Any determination by the Company that the Continuous Service of a Participant was terminated with or without Cause for the purposes of outstanding Awards held by such Participant will have no effect upon any determination of the rights or obligations of the Company or any Affiliate of the Company or such Participant for any other purpose.

(j) “**Change in Control**” or “**Change of Control**” means the occurrence, in a single transaction or in a series of related transactions, of any one or more of the following events:

(i) any Exchange Act Person becomes the Owner, directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company’s then outstanding securities other than by virtue of a merger, consolidation or similar transaction. Notwithstanding the foregoing, a Change in Control shall not be deemed to occur (A) on account of the acquisition of securities of the Company directly from the Company, (B) on account of the acquisition of securities of the Company by an investor, any affiliate thereof or any other Exchange Act Person that acquires the Company’s securities in a transaction or series of related transactions the primary purpose of which is to obtain financing for the Company through the issuance of equity securities, or (C) solely because the level of Ownership held by any Exchange Act Person (the “*Subject Person*”) exceeds the designated percentage threshold of the outstanding voting securities as a result of a repurchase or other acquisition of voting securities by the Company reducing the number of shares outstanding, provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of voting securities by the Company, and after such share acquisition, the Subject Person becomes the Owner of any additional voting securities that, assuming the repurchase or other acquisition had not occurred, increases the percentage of the then outstanding voting securities Owned by the Subject Person over the designated percentage threshold, then a Change in Control shall be deemed to occur;

(ii) there is consummated a merger, consolidation or similar transaction involving (directly or indirectly) the Company and, immediately after the consummation of such merger, consolidation or similar transaction, the stockholders of the Company immediately prior thereto do not Own, directly or indirectly, either

(A) outstanding voting securities representing more than 50% of the combined outstanding voting power of the Acquiring Entity in such merger, consolidation or similar transaction or (B) more than 50% of the combined outstanding voting power of the parent of the Acquiring Entity in such merger, consolidation or similar transaction, in each case in substantially the same proportions as their Ownership of the outstanding voting securities of the Company immediately prior to such transaction;

(iii) there is consummated a sale, lease, exclusive license or other disposition of all or substantially all of the consolidated assets of the Company and its Subsidiaries, other than a sale, lease, license or other disposition of all or substantially all of the consolidated assets of the Company and its Subsidiaries to an Entity, more than 50% of the combined voting power of the voting securities of which are Owned by stockholders of the Company in substantially the same proportions as their Ownership of the outstanding voting securities of the Company immediately prior to such sale, lease, license or other disposition; or

(iv) individuals who, on the Adoption Date, are members of the Board (the “*Incumbent Board*”) cease for any reason to constitute at least a majority of the members of the Board; provided, however, that if the appointment or election (or nomination for election) of any new Board member was approved or recommended by a majority vote of the members of the Incumbent Board then still in office, such new member shall, for purposes of this Plan, be considered as a member of the Incumbent Board.

Notwithstanding the foregoing or any other provision of this Plan, (A) the term Change in Control shall not include a sale of assets, merger or other transaction effected exclusively for the purpose of changing the domicile of the Company, (B) the definition of Change in Control (or any analogous term) in an individual written agreement between the Company or any Affiliate and the Participant shall supersede the foregoing definition with respect to Awards subject to such agreement; provided, however, that if no definition of Change in Control or any analogous term is set forth in such an individual written agreement, the foregoing definition shall apply, and (C) with respect to any nonqualified deferred compensation that becomes payable on account of the Change in Control, the transaction or event described in clause (i), (ii), (iii), or (iv) also constitutes a Section 409A Change in Control if required in order for the payment not to violate Section 409A of the Code.

(k) “*Code*” means the U.S. Internal Revenue Code of 1986, as amended, including any applicable regulations and guidance thereunder.

(l) “*Committee*” means the Compensation Committee and any other committee of one or more Directors to whom authority has been delegated by the Board or Compensation Committee in accordance with the Plan.

(m) “*Common Stock*” means the common stock of the Company.

(n) “*Company*” means Candid Therapeutics, Inc., a Delaware corporation, and any successor corporation thereto.

(o) “*Compensation Committee*” means the Compensation Committee of the Board.

(p) “*Consultant*” means any person, including an advisor, who is (i) engaged by the Company or an Affiliate to render consulting or advisory services and is compensated for such services, or (ii) serving as a member of the board of directors of an Affiliate and is compensated for such services. However, service solely as a Director, or payment of a fee for such service, will not cause a Director to be considered a “Consultant” for purposes of the Plan. Notwithstanding the foregoing, a person is treated as a Consultant under this Plan only if a Form S-8 Registration Statement under the Securities Act is available to register either the offer or the sale of the Company’s securities to such person.

(q) “*Continuous Service*” means that the Participant’s service with the Company or an Affiliate, whether as an Employee, Director or Consultant, is not interrupted or terminated. A change in the capacity in which the

Participant renders service to the Company or an Affiliate as an Employee, Director or Consultant or a change in the Entity for which the Participant renders such service, provided that there is no interruption or termination of the Participant's service with the Company or an Affiliate, will not terminate a Participant's Continuous Service; provided, however, that if the Entity for which a Participant is rendering services ceases to qualify as an Affiliate, as determined by the Board, such Participant's Continuous Service will be considered to have terminated on the date such Entity ceases to qualify as an Affiliate. For example, a change in status from an Employee of the Company to a Consultant of an Affiliate or to a Director will not constitute an interruption of Continuous Service. To the extent permitted by Applicable Law, the Board or the chief executive officer of the Company, in that party's sole discretion, may determine whether Continuous Service will be considered interrupted in the case of (i) any leave of absence approved by the Company or an Affiliate, including sick leave, military leave or any other personal leave, or (ii) transfers between the Company, an Affiliate, or their successors. Notwithstanding the foregoing, a leave of absence will be treated as Continuous Service for purposes of vesting in an Award only to such extent as may be provided in the Company's leave of absence policy, in the written terms of any leave of absence agreement or policy applicable to the Participant, or as otherwise required by Applicable Law. In addition, to the extent required for exemption from or compliance with Section 409A, the determination of whether there has been a termination of Continuous Service will be made, and such term will be construed, in a manner that is consistent with the definition of "separation from service" as defined under U.S. Treasury Regulation Section 1.409A-1(h) (without regard to any alternative definition thereunder).

(r) "**Corporate Transaction**" means the consummation, in a single transaction or in a series of related transactions, of any one or more of the following events:

(i) a sale or other disposition of all or substantially all, as determined by the Board, of the consolidated assets of the Company and its Subsidiaries;

(ii) a sale or other disposition of at least 50% of the outstanding securities of the Company;

(iii) a merger, consolidation or similar transaction following which the Company is not the surviving corporation; or

(iv) a merger, consolidation or similar transaction following which the Company is the surviving corporation but the shares of Common Stock outstanding immediately preceding the merger, consolidation or similar transaction are converted or exchanged by virtue of the merger, consolidation or similar transaction into other property, whether in the form of securities, cash or otherwise.

Notwithstanding the foregoing or any other provision of this Plan, (A) the term Corporate Transaction shall not include a sale of assets, merger or other transaction effected exclusively for the purpose of changing the domicile of the Company, (B) the definition of Corporate Transaction (or any analogous term) in an individual written agreement between the Company or any Affiliate and the Participant shall supersede the foregoing definition with respect to Awards subject to such agreement; provided, however, that if no definition of Corporate Transaction or any analogous term is set forth in such an individual written agreement, the foregoing definition shall apply, and (C) with respect to any nonqualified deferred compensation that becomes payable on account of the Corporate Transaction, the transaction or event described in clause (i), (ii), (iii), or (iv) also constitutes a Section 409A Change in Control if required in order for the payment not to violate Section 409A of the Code.

(s) "**determine**" or "**determined**" means as determined by the Board or the Committee (or its designee) in its sole discretion.

(t) "**Director**" means a member of the Board.

(u) "**Disability**" means, with respect to a Participant, such Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to

result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months, as provided in Section 22(e)(3) of the Code, and will be determined by the Board on the basis of such medical evidence as the Board deems warranted under the circumstances.

(v) “**Effective Date**” means the effective date of this Plan, which is [], 2026.

(w) “**Employee**” means any person employed by the Company or an Affiliate. However, service solely as a Director, or payment of a fee for such services, will not cause a Director to be considered an “Employee” for purposes of the Plan.

(x) “**Employer**” means the Company or the Affiliate that employs the Participant.

(y) “**Entity**” means a corporation, partnership, limited liability company or other entity.

(z) “**Exchange Act**” means the U.S. Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

(aa) “**Exchange Act Person**” means any natural person, Entity or “group” (within the meaning of Section 13(d) or 14(d) of the Exchange Act), except that “Exchange Act Person” will not include (i) the Company or any Subsidiary of the Company, (ii) any employee benefit plan of the Company or any Subsidiary of the Company or any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any Subsidiary of the Company, (iii) an underwriter temporarily holding securities pursuant to a registered public offering of such securities, (iv) an Entity Owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their Ownership of stock of the Company, or (v) any natural person, Entity or “group” (within the meaning of Section 13(d) or 14(d) of the Exchange Act) that, as of the Effective Date, is the Owner, directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company’s then outstanding securities.

(bb) “**Fair Market Value**” means, as of any date, unless otherwise determined by the Board, the value of the Common Stock (as determined on a per share or aggregate basis, as applicable) determined as follows:

(i) If the Common Stock is listed on any established stock exchange or traded on any established market, the Fair Market Value will be the closing sales price for such stock as quoted on such exchange or market (or the exchange or market with the greatest volume of trading in the Common Stock) on the date of determination, as reported in a source the Board deems reliable.

(ii) If there is no closing sales price for the Common Stock on the date of determination, then the Fair Market Value will be the closing selling price on the last preceding date for which such quotation exists.

(iii) In the absence of such markets for the Common Stock, or if otherwise determined by the Board, the Fair Market Value will be determined by the Board in good faith and in a manner that complies with Sections 409A and 422 of the Code.

(cc) “**Fully Diluted Shares**” means, as of any date, all of the common stock of the Company outstanding plus all shares of common stock of the Company issuable upon conversion or exercise of outstanding securities and rights, including (without limitation) preferred stock on an as-converted basis, equity awards, warrants (including pre-funded warrants), and any convertible indebtedness or similar instruments, whether or not then vested or currently exercisable.

(dd) “**Governmental Body**” means any: (i) nation, state, commonwealth, canton, province, territory, county, municipality, district or other jurisdiction of any nature; (ii) U.S. or non-U.S. federal, state, local, municipal, or other government; (iii) governmental or regulatory body, or quasi-governmental body of any nature (including

any governmental division, department, administrative agency or bureau, commission, authority, instrumentality, official, ministry, fund, foundation, center, organization, unit, body or Entity and any court or other tribunal, and for the avoidance of doubt, any tax authority) or other body exercising similar powers or authority; or (iv) self-regulatory organization (including the Nasdaq Stock Market, New York Stock Exchange, and the Financial Industry Regulatory Authority).

(ee) “**Grant Notice**” means the notice provided to a Participant that he or she has been granted an Award under the Plan and which includes the name of the Participant, the type of Award, the date of grant of the Award, number of shares of Common Stock subject to the Award or potential cash payment right, (if any), the vesting schedule for the Award (if any) and other key terms applicable to the Award.

(ff) “**Incentive Stock Option**” means an option granted pursuant to Section 4 of the Plan that is intended to be, and qualifies as, an “incentive stock option” within the meaning of Section 422 of the Code.

(gg) “**Materially Impair**” means any amendment to the terms of the Award that materially adversely affects the Participant’s rights under the Award. A Participant’s rights under an Award will not be deemed to have been Materially Impaired by any such amendment if the Board, in its sole discretion, determines that the amendment, taken as a whole, does not materially impair the Participant’s rights. For example, the following types of amendments to the terms of an Award do not Materially Impair the Participant’s rights under the Award: (i) imposition of reasonable restrictions on the minimum number of shares subject to an Option or SAR that may be exercised; (ii) to maintain the qualified status of the Award as an Incentive Stock Option under Section 422 of the Code; (iii) to change the terms of an Incentive Stock Option in a manner that disqualifies, impairs or otherwise affects the qualified status of the Award as an Incentive Stock Option under Section 422 of the Code; (iv) to clarify the manner of exemption from, or to bring the Award into compliance with or qualify it for an exemption from, Section 409A; or (v) to comply with other Applicable Laws.

(hh) “**Non-Employee Director**” means a Director who either (i) is not a current employee or officer of the Company or an Affiliate, does not receive compensation, either directly or indirectly, from the Company or an Affiliate for services rendered as a consultant or in any capacity other than as a Director (except for an amount as to which disclosure would not be required under Item 404(a) of Regulation S-K promulgated pursuant to the Securities Act (“**Regulation S-K**”)), does not possess an interest in any other transaction for which disclosure would be required under Item 404(a) of Regulation S-K, and is not engaged in a business relationship for which disclosure would be required pursuant to Item 404(b) of Regulation S-K; or (ii) is otherwise considered a “non-employee director” for purposes of Rule 16b-3.

(ii) “**Non-Exempt Award**” means any Award that is subject to, and not exempt from, Section 409A, including as the result of (i) a deferral of the issuance of the shares subject to the Award which is elected by the Participant or imposed by the Company, or (ii) the terms of any Non-Exempt Severance Arrangement.

(jj) “**Non-Exempt Director Award**” means a Non-Exempt Award granted to a Participant who was a Director but not an Employee on the applicable grant date.

(kk) “**Non-Exempt Severance Arrangement**” means a severance arrangement or other agreement between the Participant and the Company that provides for acceleration of vesting of an Award and issuance of the shares in respect of such Award upon the Participant’s termination of employment or separation from service (as such term is defined in Section 409A(a)(2)(A)(i) of the Code (and without regard to any alternative definition thereunder)) (“**Separation from Service**”) and such severance benefit does not satisfy the requirements for an exemption from application of Section 409A provided under U.S. Treasury Regulations Section 1.409A-1(b)(4), 1.409A-1(b)(9) or otherwise.

(ll) “**Nonstatutory Stock Option**” means any option granted pursuant to Section 4 of the Plan that does not qualify as an Incentive Stock Option.

(mm) “Officer” means a person who is an officer of the Company within the meaning of Section 16 of the Exchange Act.

(nn) “Option” means an Incentive Stock Option or a Nonstatutory Stock Option to purchase shares of Common Stock granted pursuant to the Plan.

(oo) “Option Agreement” means a written or electronic agreement between the Company and the Optionholder evidencing the terms and conditions of the Option grant. The Option Agreement includes the Grant Notice for the Option and the agreement containing the written summary of the general terms and conditions applicable to the Option and which is provided including through electronic means, to a Participant along with the Grant Notice. Each Option Agreement will be subject to the terms and conditions of the Plan.

(pp) “Optionholder” means a person to whom an Option is granted pursuant to the Plan or, if applicable, such other person who holds an outstanding Option.

(qq) “Other Award” means an award valued in whole or in part by reference to, or otherwise based on, Common Stock, including the appreciation in value thereof (e.g., options or stock rights with an exercise price or strike price less than 100% of the Fair Market Value at the time of grant) that is not an Incentive Stock Option, Nonstatutory Stock Option, SAR, Restricted Stock Award, RSU Award or Performance Award.

(rr) “Other Award Agreement” means a written or electronic agreement between the Company and a holder of an Other Award evidencing the terms and conditions of an Other Award grant. Each Other Award Agreement will be subject to the terms and conditions of the Plan.

(ss) “Own,” “Owned,” “Owner,” or “Ownership” means that a person or Entity will be deemed to “Own,” to have “Owned,” to be the “Owner” of, or to have acquired “Ownership” of securities if such person or Entity, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares voting power, which includes the power to vote or to direct the voting, with respect to such securities.

(tt) “Participant” means an Employee, Director or Consultant to whom an Award is granted pursuant to the Plan or, if applicable, such other person who holds an outstanding Award.

(uu) “Performance Award” means an Award that may vest or may be exercised or a cash award that may vest or become earned and paid contingent upon the attainment during a Performance Period of certain Performance Goals and which is granted under the terms and conditions of Section 5(b) pursuant to such terms as are approved by the Board. In addition, to the extent permitted by Applicable Law and set forth in the applicable Award Agreement, the Board may determine that cash or other property may be used in payment of Performance Awards. Performance Awards that are settled in cash or other property are not required to be valued in whole or in part by reference to, or otherwise based on, the Common Stock.

(vv) “Performance Criteria” means one or more criteria that the Board will select for purposes of establishing the Performance Goals for a Performance Period. The Performance Criteria that will be used to establish such Performance Goals may be based on any one of, or combination of, the following as determined by the Board: earnings (including earnings per share and net earnings); earnings before interest, taxes and depreciation; earnings before interest, taxes, depreciation and amortization; total stockholder return; relative stockholder return; return on equity or average stockholder’s equity; return on assets, investment, or capital employed; stock price; margin (including gross margin); income (before or after taxes); operating income; operating income after taxes; pre-tax profit; operating cash flow; sales, annual recurring revenue or revenue targets; increases in revenue or product revenue; expenses and cost reduction goals; improvement in or attainment of working capital levels; economic value added (or an equivalent metric); market share; cash flow; cash flow per share; share price performance; debt reduction; customer satisfaction; stockholders’ equity; capital expenditures; debt levels; operating profit or net operating profit; workforce diversity; growth of net income or

operating income; billings; financing; regulatory milestones; stockholder liquidity; corporate governance and compliance; intellectual property; personnel matters; progress of internal research; progress of partnered programs; partner satisfaction; budget management; partner or collaborator achievements; internal controls, including those related to the U.S. Sarbanes-Oxley Act of 2002; investor relations, analysts and communication; implementation or completion of projects or processes; employee retention; number of users, including unique users; strategic partnerships or transactions (including in-licensing and out-licensing of intellectual property); establishing relationships with respect to the marketing, distribution and sale of the Company's products; supply chain achievements; co-development, co-marketing, profit sharing, joint venture or other similar arrangements; individual performance goals; corporate development and planning goals; and other measures of performance selected by the Board or Committee whether or not listed herein.

(ww) "**Performance Goals**" means, for a Performance Period, one or more goals established by the Board for the Performance Period based upon the Performance Criteria. Performance Goals may be based on a Company-wide basis, with respect to one or more business units, divisions, Affiliates, or business segments, and in either absolute terms or relative to the performance of one or more comparable companies or the performance of one or more relevant indices. Unless specified otherwise by the Board (i) in the Award Agreement at the time the Award is granted or (ii) in such other document setting forth the Performance Goals at the time the Performance Goals are established, the Board will appropriately make adjustments in the method of calculating the attainment of Performance Goals for a Performance Period as follows: (1) to exclude restructuring and/or other nonrecurring charges; (2) to exclude exchange rate effects; (3) to exclude the effects of changes to generally accepted accounting principles; (4) to exclude the effects of any statutory adjustments to corporate tax rates; (5) to exclude the effects of items that are "unusual" in nature or occur "infrequently" as determined under generally accepted accounting principles; (6) to exclude the dilutive effects of acquisitions or joint ventures; (7) to assume that any business divested by the Company achieved performance objectives at targeted levels during the balance of a Performance Period following such divestiture; (8) to exclude the effect of any change in the outstanding shares of Common Stock by reason of any stock dividend or split, stock repurchase, reorganization, recapitalization, merger, consolidation, spin-off, combination or exchange of shares or other similar corporate change, or any distributions to common stockholders other than regular cash dividends; (9) to exclude the effects of stock based compensation and the award of bonuses under the Company's bonus plans; (10) to exclude costs incurred in connection with potential acquisitions or divestitures that are required to be expensed under generally accepted accounting principles; and (11) to exclude the goodwill and intangible asset impairment charges that are required to be recorded under generally accepted accounting principles. In addition, the Board may establish or provide for other adjustment items in the Award Agreement at the time the Award is granted or in such other document setting forth the Performance Goals at the time the Performance Goals are established. In addition, the Board retains the discretion to reduce or eliminate the compensation or economic benefit due upon attainment of Performance Goals and to define the manner of calculating the Performance Criteria it selects to use for such Performance Period. Partial achievement of the specified criteria may result in the payment or vesting corresponding to the degree of achievement as specified in the Award Agreement or the written terms of a Performance Award.

(xx) "**Performance Period**" means the period of time selected by the Board over which the attainment of one or more Performance Goals will be measured for the purpose of determining a Participant's right to vesting or exercise of an Award. Performance Periods may be of varying and overlapping duration, at the sole discretion of the Board.

(yy) "**Plan**" means this Candid Therapeutics, Inc. 2026 Equity Incentive Plan, as amended from time to time.

(zz) "**Plan Administrator**" means the person, persons, and/or third-party administrator designated by the Company to administer the day-to-day operations of the Plan and the Company's other equity incentive programs.

(aaa) “**Post-Termination Exercise Period**” means the period following termination of a Participant’s Continuous Service within which an Option or SAR is exercisable, as specified in Section 4(h).

(bbb) “**Prior Plan**” means the Rallybio Corporation 2021 Equity Incentive Plan, as amended from time to time.

(ccc) “**Prospectus**” means the document containing the Plan information specified in Section 10(a) of the Securities Act.

(ddd) “**Restricted Stock Award**” or “**RSA**” means an Award of shares of Common Stock which is granted pursuant to the terms and conditions of Section 5(a).

(eee) “**Restricted Stock Award Agreement**” means a written or electronic agreement between the Company and a holder of a Restricted Stock Award evidencing the terms and conditions of a Restricted Stock Award grant. The Restricted Stock Award Agreement includes the Grant Notice for the Restricted Stock Award and the agreement containing the written summary of the general terms and conditions applicable to the Restricted Stock Award and which is provided including by electronic means, to a Participant along with the Grant Notice. Each Restricted Stock Award Agreement will be subject to the terms and conditions of the Plan.

(fff) “**Returning Shares**” means shares subject to outstanding stock awards granted under the Prior Plan and that following the Effective Date: (A) are not issued because such stock award or any portion thereof expires or otherwise terminates without all of the shares covered by such stock award having been issued; (B) are not issued because such stock award or any portion thereof is settled in cash; (C) are forfeited back to or repurchased by the Company because of the failure to meet a contingency or condition required for the vesting of such shares; (D) are withheld or reacquired to satisfy the exercise, strike or purchase price; or (E) are withheld or reacquired to satisfy a tax withholding obligation.

(ggg) “**RSU Award**” or “**RSU**” means an Award of restricted stock units representing the right to receive an issuance of shares of Common Stock which is granted pursuant to the terms and conditions of Section 5(a).

(hhh) “**RSU Award Agreement**” means a written or electronic agreement between the Company and a holder of an RSU Award evidencing the terms and conditions of an RSU Award grant. The RSU Award Agreement includes the Grant Notice for the RSU Award and the agreement containing the written summary of the general terms and conditions applicable to the RSU Award and which is provided including by electronic means, to a Participant along with the Grant Notice. Each RSU Award Agreement will be subject to the terms and conditions of the Plan.

(iii) “**Rule 16b-3**” means Rule 16b-3 promulgated under the Exchange Act or any successor to Rule 16b-3, as in effect from time to time.

(jjj) “**Rule 405**” means Rule 405 promulgated under the Securities Act.

(kkk) “**SAR Agreement**” means a written or electronic agreement between the Company and a holder of a SAR evidencing the terms and conditions of a SAR grant. The SAR Agreement includes the Grant Notice for the SAR and the agreement containing the written summary of the general terms and conditions applicable to the SAR and which is provided, including by electronic means, to a Participant along with the Grant Notice. Each SAR Agreement will be subject to the terms and conditions of the Plan.

(III) “**Section 409A**” means Section 409A of the Code and the regulations and other guidance thereunder.

(mmm) “**Section 409A Change in Control**” means a change in the ownership or effective control of the Company, or in the ownership of a substantial portion of the Company’s assets, as provided in Section 409A(a)(2)(A)(v) of the Code and U.S. Treasury Regulations Section 1.409A-3(i)(5) (without regard to any alternative definition thereunder).

(nnn) “*Securities Act*” means the U.S. Securities Act of 1933, as amended.

(ooo) “*Share Reserve*” means the number of shares available for issuance under the Plan as set forth in Section 2(a).

(ppp) “*Stock Appreciation Right*” or “*SAR*” means a right to receive the appreciation on Common Stock that is granted pursuant to the terms and conditions of Section 4.

(qqq) “*Subsidiary*” means, with respect to the Company, (i) any corporation of which more than 50% of the outstanding capital stock having ordinary voting power to elect a majority of the board of directors of such corporation (irrespective of whether, at the time, stock of any other class or classes of such corporation will have or might have voting power by reason of the happening of any contingency) is at the time, directly or indirectly, Owned by the Company, and (ii) any partnership, limited liability company or other entity in which the Company has a direct or indirect interest (whether in the form of voting or participation in profits or capital contribution) of more than 50%.

(rrr) “*Tax-Related Items*” means any income tax, social insurance, payroll tax, fringe benefit tax, payment on account or other tax-related items arising out of or in relation to a Participant’s participation in the Plan and legally applicable or deemed applicable to the Participant.

(sss) “*Ten Percent Stockholder*” means a person who Owns (or is deemed to Own pursuant to Section 424(d) of the Code) stock possessing more than 10% of the total combined voting power of all classes of stock of the Company or any Affiliate.

(ttt) “*Trading Policy*” means the Company’s policy permitting certain individuals to sell Company shares only during certain “window” periods and/or otherwise restricts the ability of certain individuals to transfer or encumber Company shares, as in effect from time to time.

(uuu) “*Unvested Non-Exempt Award*” means the portion of any Non-Exempt Award that had not vested in accordance with its terms upon or prior to the date of any Corporate Transaction.

(vvv) “*Vested Non-Exempt Award*” means the portion of any Non-Exempt Award that had vested in accordance with its terms upon or prior to the date of a Corporate Transaction.

CANDID THERAPEUTICS, INC.

2026 EMPLOYEE STOCK PURCHASE PLAN

ADOPTED BY THE BOARD OF DIRECTORS: [], 2026
APPROVED BY THE STOCKHOLDERS: [], 2026

1. GENERAL; PURPOSE.

(a) The Plan provides a means by which Eligible Employees of the Company and certain Designated Companies may be given an opportunity to purchase shares of Common Stock. The Plan permits the Company to grant a series of Purchase Rights to Eligible Employees under an Employee Stock Purchase Plan. In addition, the Plan permits the Company to grant a series of Purchase Rights to Eligible Employees that do not meet the requirements of an Employee Stock Purchase Plan.

(b) The Plan includes two components: a 423 Component and a Non-423 Component. The Company intends (but makes no undertaking or representation to maintain) the 423 Component to qualify as an Employee Stock Purchase Plan. The provisions of the 423 Component, accordingly, will be construed in a manner that is consistent with the requirements of Section 423 of the Code. In addition, this Plan authorizes grants of Purchase Rights under the Non-423 Component that do not meet the requirements of an Employee Stock Purchase Plan. Except as otherwise provided in the Plan or determined by the Board, the Non-423 Component will operate and be administered in the same manner as the 423 Component. In addition, the Company may make separate Offerings which vary in terms (provided that such terms are not inconsistent with the provisions of the Plan or the requirements of an Employee Stock Purchase Plan to the extent the Offering is made under the 423 Component), and the Company will designate which Designated Company is participating in each separate Offering.

(c) The Company, by means of the Plan, seeks to retain the services of Eligible Employees, to secure and retain the services of new Employees and to provide incentives for such persons to exert maximum efforts for the success of the Company and its Related Corporations.

2. ADMINISTRATION.

(a) The Board will administer the Plan unless and until the Board delegates administration of the Plan to a Committee or Committees, as provided in Section 2(c).

(b) The Board will have the power, subject to, and within the limitations of, the express provisions of the Plan:

(i) To determine how and when Purchase Rights will be granted and the provisions of each Offering (which need not be identical).

(ii) To designate from time to time (A) which Related Corporations will be eligible to participate in the Plan as Designated 423 Companies, (B) which Related Corporations or Affiliates will be eligible to participate in the Plan as Designated Non-423 Companies, (C) which Affiliates or Related Corporations may be excluded from participation in the Plan, and (D) which Designated Companies will participate in each separate Offering (to the extent that the Company makes separate Offerings).

(iii) To construe and interpret the Plan and Purchase Rights, and to establish, amend and revoke rules and regulations for its administration. The Board, in the exercise of this power, may correct any defect, omission or inconsistency in the Plan, in a manner and to the extent it deems necessary or expedient to make the Plan fully effective.

(iv) To settle all controversies regarding the Plan and Purchase Rights granted under the Plan.

(v) To suspend or terminate the Plan at any time as provided in Section 12.

(vi) To amend the Plan at any time as provided in Section 12.

(vii) Generally, to exercise such powers and to perform such acts as it deems necessary or expedient to promote the best interests of the Company, its Related Corporations and Affiliates, and to carry out the intent that the Plan be treated as an Employee Stock Purchase Plan with respect to the 423 Component.

(viii) To adopt such rules, procedures and sub-plans as are necessary or appropriate to permit or facilitate participation in the Plan by Employees who are non-U.S. nationals or employed or located outside the United States. Without limiting the generality of, and consistent with, the foregoing, the Board specifically is authorized to adopt rules, procedures, and sub-plans regarding, without limitation, eligibility to participate in the Plan, the definition of eligible "earnings," handling and making of Contributions, establishment of bank or trust accounts to hold Contributions, payment of interest, conversion of local currency, obligations to pay payroll tax, determination of beneficiary designation requirements, withholding procedures and handling of share issuances, any of which may vary according to applicable requirements, and which, if applicable to a Designated Non-423 Company, do not have to comply with the requirements of Section 423 of the Code.

(c) The Board may delegate some or all of the administration of the Plan to a Committee or Committees. If administration is delegated to a Committee, the Committee will have, in connection with the administration of the Plan, the powers theretofore possessed by the Board that have been delegated to the Committee, including the power to delegate to a subcommittee any of the administrative powers the Committee is authorized to exercise (and references in this Plan and any applicable Offering Document to the Board will thereafter be to the Committee or subcommittee), subject, however, to such resolutions, not inconsistent with the provisions of the Plan, as may be adopted from time to time by the Board. Further, to the extent not prohibited by Applicable Law, the Board or Committee may, from time to time, delegate some or all of its authority under the Plan to one or more officers of the Company or other persons or groups of persons as it deems necessary, appropriate or advisable under conditions or limitations that it may set at or after the time of the delegation. The Board may retain the authority to concurrently administer the Plan with the Committee (or its delegate) and may, at any time, revert in the Board some or all of the powers previously delegated. Whether or not the Board has delegated administration of the Plan to a Committee (or a delegate of the Committee), the Board will have the final power to determine all questions of policy and expediency that may arise in the administration of the Plan.

(d) All determinations, interpretations and constructions made by the Board will not be subject to review by any person and will be final, binding and conclusive on all persons.

3. SHARES OF COMMON STOCK SUBJECT TO THE PLAN.

(a) Subject to the provisions of Section 11(a) relating to Capitalization Adjustments, the maximum number of shares of Common Stock that may be issued under the Plan will not exceed []¹ shares of Common Stock, plus the number of shares of Common Stock that are automatically added on January 1st of each year for a period of up to ten years, commencing on January 1, 2027 and ending on (and including) January 1, 2036, in an amount equal to the lesser of (x) one percent (1%) of the total number of Fully Diluted Shares on December 31st of the preceding calendar year, and (y) []² shares of Common Stock. Notwithstanding the foregoing, the Board may act prior to the first day of any calendar year to provide that there will be no January 1st increase in

¹ **NTD:** To be equal to 1% of the total number of shares of our common stock outstanding plus all shares of our common stock issuable upon conversion or exercise of outstanding securities and rights, including (without limitation) preferred stock on an as-converted basis, equity awards, warrants (including pre-funded warrants), and any convertible indebtedness or similar instruments, whether or not then vested or exercisable, determined on the effective date of the Plan.

² **NTD:** To be equal to the initial limit, multiplied by 3.

the share reserve for such calendar year or that the increase in the share reserve for such calendar year will be a lesser number of shares of Common Stock than would otherwise occur pursuant to the preceding sentence. For the avoidance of doubt, up to the maximum number of shares of Common Stock reserved under this Section 3(a) may be used to satisfy purchases of Common Stock under the 423 Component and any remaining portion of such maximum number of shares may be used to satisfy purchases of Common Stock under the Non-423 Component.

(b) If any Purchase Right granted under the Plan terminates without having been exercised in full, the shares of Common Stock not purchased under such Purchase Right will again become available for issuance under the Plan.

(c) The stock purchasable under the Plan will be shares of authorized but unissued or reacquired Common Stock, including shares repurchased by the Company on the open market.

4. GRANT OF PURCHASE RIGHTS; OFFERING.

(a) The Board may from time to time grant or provide for the grant of Purchase Rights to Eligible Employees under an Offering (consisting of one or more Purchase Periods) on an Offering Date or Offering Dates selected by the Board. Each Offering will be in such form and will contain such terms and conditions as the Board will deem appropriate, and with respect to the 423 Component, will comply with the requirement of Section 423(b)(5) of the Code that all Employees granted Purchase Rights will have the same rights and privileges. The terms and conditions of an Offering shall be incorporated by reference into the Plan and treated as part of the Plan. The provisions of separate Offerings need not be identical, but each Offering will include (through incorporation of the provisions of this Plan by reference in the document comprising the Offering or otherwise) the period during which the Offering will be effective, which period will not exceed 27 months beginning with the Offering Date, and the substance of the provisions contained in Sections 5 through 8, inclusive.

(b) If a Participant has more than one Purchase Right outstanding under the Plan, unless such Participant otherwise indicates in forms delivered to the Company or a third party designated by the Company (each, a “*Company Designee*”): (i) each form will apply to all of such Participant’s Purchase Rights under the Plan, and (ii) a Purchase Right with a lower exercise price (or an earlier-granted Purchase Right, if different Purchase Rights have identical exercise prices) will be exercised to the fullest possible extent before a Purchase Right with a higher exercise price (or a later-granted Purchase Right if different Purchase Rights have identical exercise prices) will be exercised.

(c) The Board will have the discretion to structure an Offering so that if the Fair Market Value of a share of Common Stock on the first Trading Day of a new Purchase Period within that Offering is less than or equal to the Fair Market Value of a share of Common Stock on the Offering Date for that Offering, then (i) that Offering will terminate immediately as of that first Trading Day, and (ii) the Participants in such terminated Offering will be automatically enrolled in a new Offering beginning on the first Trading Day of such new Purchase Period.

5. ELIGIBILITY.

(a) Purchase Rights may be granted only to Employees of the Company or, as the Board may designate in accordance with Section 2(b), to Employees of a Related Corporation or an Affiliate. Except as provided in Section 5(b) or as required by Applicable Law, an Employee will not be eligible to be granted Purchase Rights unless, on the Offering Date, the Employee has been in the employ of the Company, the Related Corporation or the Affiliate, as the case may be, for such continuous period preceding such Offering Date as the Board may (unless prohibited by Applicable Law) require, but in no event will the required period of continuous employment be equal to or greater than two years. In addition, the Board may provide (unless prohibited by Applicable Law) that no Employee will be eligible to be granted Purchase Rights under the Plan unless, on the Offering Date, such Employee’s customary employment with the Company, the Related Corporation or the

Affiliate is more than 20 hours per week and more than five months per calendar year or such other criteria as the Board may determine consistent with Section 423 of the Code with respect to the 423 Component. The Board may also exclude (unless prohibited by Applicable Law) from participation in the Plan or any Offering Employees who are “highly compensated employees” (within the meaning of Section 423(b)(4)(D) of the Code) of the Company, a Related Corporation or an Affiliate, or a subset of such highly compensated employees.

(b) The Board may provide that each person who, during the course of an Offering, first becomes an Eligible Employee will, on a date or dates specified in the Offering which coincides with the day on which such person becomes an Eligible Employee or which occurs thereafter, receive a Purchase Right under that Offering, which Purchase Right will thereafter be deemed to be a part of that Offering. Such Purchase Right will have the same characteristics as any Purchase Rights originally granted under that Offering, as described herein, except that:

(i) the date on which such Purchase Right is granted will be the “Offering Date” of such Purchase Right for all purposes, including determination of the exercise price of such Purchase Right;

(ii) the period of the Offering with respect to such Purchase Right will begin on its Offering Date and end coincident with the end of such Offering; and

(iii) the Board may provide that if such person first becomes an Eligible Employee within a specified period of time before the end of the Offering, the individual will not receive any Purchase Right under that Offering.

(c) No Employee will be eligible for the grant of any Purchase Rights under the 423 Component if, immediately after any such Purchase Rights are granted, such Employee owns stock possessing five percent or more of the total combined voting power or value of all classes of stock of the Company or of any Related Corporation. For purposes of this Section 5(c), the rules of Section 424(d) of the Code will apply in determining the stock ownership of any Employee, and stock which such Employee may purchase under all outstanding Purchase Rights and options will be treated as stock owned by such Employee.

(d) As specified by Section 423(b)(8) of the Code, an Eligible Employee may be granted Purchase Rights under the 423 Component only if such Purchase Rights, together with any other rights granted under all Employee Stock Purchase Plans of the Company and any Related Corporations, do not permit such Eligible Employee’s rights to purchase stock of the Company or any Related Corporation to accrue at a rate which, when aggregated, exceeds U.S. \$25,000 of Fair Market Value of such stock (determined at the time such rights are granted, and which, with respect to the Plan, will be determined as of their respective Offering Dates) for each calendar year in which such rights are outstanding at any time.

(e) Officers of the Company and any Designated Company, if they are otherwise Eligible Employees, will be eligible to participate in Offerings under the Plan. Notwithstanding the foregoing, the Board may (unless prohibited by Applicable Law) provide in an Offering that Employees who are highly compensated Employees within the meaning of Section 423(b)(4)(D) of the Code will not be eligible to participate.

(f) Notwithstanding anything in this Section 5 to the contrary, in the case of an Offering under the Non-423 Component, an Eligible Employee (or group of Eligible Employees) may be excluded from participation in the Plan or an Offering if the Board has determined, in its sole discretion, that participation of such Eligible Employee(s) is not advisable or practical for any reason.

6. PURCHASE RIGHTS; PURCHASE PRICE.

(a) On each Offering Date, each Eligible Employee, pursuant to an Offering made under the Plan, will be granted a Purchase Right to purchase up to that number of shares of Common Stock purchasable either with a percentage of earnings (as such concept is defined in the Offering Document) or with a maximum dollar amount, but in either case as so specified by the Board in the Offering Document, during the period that begins on the

Offering Date (or such later date as the Board determines for a particular Offering) and ends on the date stated in the Offering, which date will be no later than the end of the Offering.

(b) The Board will establish one or more Purchase Dates during an Offering on which Purchase Rights granted for that Offering will be exercised and shares of Common Stock will be purchased in accordance with such Offering.

(c) In connection with each Offering made under the Plan, the Board may specify (i) a maximum number of shares of Common Stock that may be purchased by any Participant on any Purchase Date during such Offering, (ii) a maximum aggregate number of shares of Common Stock that may be purchased by all Participants pursuant to such Offering and/or (iii) a maximum aggregate number of shares of Common Stock that may be purchased by all Participants on any Purchase Date under the Offering. If the aggregate purchase of shares of Common Stock issuable upon exercise of Purchase Rights granted under the Offering would exceed any such maximum aggregate number, then, in the absence of any Board action otherwise, a pro rata (based on each Participant's accumulated Contributions) allocation of the shares of Common Stock (rounded down to the nearest whole share) available will be made in as nearly a uniform manner as will be practicable and equitable.

(d) The purchase price of shares of Common Stock acquired pursuant to Purchase Rights will be specified by the Board prior to commencement of an Offering and will not be less than the lesser of:

(i) an amount equal to 85% of the Fair Market Value of the shares of Common Stock on the Offering Date; or

(ii) an amount equal to 85% of the Fair Market Value of the shares of Common Stock on the applicable Purchase Date.

7. PARTICIPATION; WITHDRAWAL; TERMINATION.

(a) An Eligible Employee may elect to participate in an Offering and authorize payroll deductions as the means of making Contributions by completing and delivering to the Company or a Company Designee, within the time specified in the Offering, an enrollment form provided by the Company or a Company Designee. The enrollment form will specify the amount of Contributions not to exceed the maximum amount specified by the Board. Each Participant's Contributions will be credited to a bookkeeping account for such Participant under the Plan and will be deposited with the general funds of the Company except where Applicable Law requires that Contributions be held separately or deposited with a third party. If permitted in the Offering, a Participant may begin such Contributions with the first practicable payroll occurring on or after the Offering Date (or, in the case of a payroll date that occurs after the end of the prior Offering but before the Offering Date of the next new Offering, Contributions from such payroll will be included in the new Offering). If permitted in the Offering, a Participant may thereafter reduce (including to zero) or increase such Participant's Contributions. If payroll deductions are impermissible or problematic under Applicable Law or if specifically provided in the Offering and to the extent permitted by Section 423 of the Code with respect to the 423 Component, in addition to or instead of making Contributions by payroll deductions, a Participant may make Contributions through payment by cash, check or wire transfer prior to a Purchase Date.

(b) During an Offering, a Participant may cease making Contributions and withdraw from the Offering by delivering to the Company or a Company Designee a withdrawal form provided by the Company or a Company Designee. The Company may impose a deadline before a Purchase Date for withdrawing. Upon such withdrawal, such Participant's Purchase Right in that Offering will immediately terminate and the Company will distribute as soon as practicable to such Participant all of such Participant's accumulated but unused Contributions and such Participant's Purchase Right in that Offering shall thereupon terminate. A Participant's withdrawal from that Offering will have no effect upon such Participant's eligibility to participate in any other Offerings under the Plan, but such Participant will be required to deliver a new enrollment form to participate in subsequent Offerings.

(c) Purchase Rights granted pursuant to any Offering under the Plan will terminate immediately if the Participant either (i) is no longer an Employee for any reason or for no reason or (ii) is otherwise no longer eligible to participate. The Company will distribute as soon as practicable to such individual all of such individual's accumulated but unused Contributions.

(d) Unless otherwise determined by the Board, a Participant whose employment transfers or whose employment terminates with an immediate rehire (with no break in service) by or between the Company and a Designated Company or between Designated Companies will not be treated as having terminated employment for purposes of participating in the Plan or an Offering; however, if a Participant transfers from an Offering under the 423 Component to an Offering under the Non-423 Component, the exercise of the Participant's Purchase Right will be qualified under the 423 Component only to the extent such exercise complies with Section 423 of the Code. If a Participant transfers from an Offering under the Non-423 Component to an Offering under the 423 Component, the exercise of the Purchase Right will remain non-qualified under the Non-423 Component for the remainder of the Offering. The Board may establish different and additional rules governing transfers between separate Offerings within the 423 Component and between Offerings under the 423 Component and Offerings under the Non-423 Component.

(e) During a Participant's lifetime, Purchase Rights will be exercisable only by such Participant. Purchase Rights are not transferable by a Participant, except by will, by the laws of descent and distribution, or, if permitted by the Company and valid under Applicable Law, by a beneficiary designation as described in Section 10.

(f) Unless otherwise specified in the Offering or required by Applicable Law, the Company will have no obligation to pay interest on Contributions.

8. EXERCISE OF PURCHASE RIGHTS.

(a) On each Purchase Date, each Participant's accumulated Contributions will be applied to the purchase of shares of Common Stock, up to the maximum number of shares of Common Stock permitted by the Plan and the applicable Offering, at the purchase price specified in the Offering. No fractional shares will be issued unless specifically provided for in the Offering.

(b) Unless otherwise provided in the Offering, if any amount of accumulated Contributions remains in a Participant's account after the purchase of shares of Common Stock and such remaining amount is less than the amount required to purchase one share of Common Stock on the final Purchase Date of an Offering, then such remaining amount will be held in such Participant's account for the purchase of shares of Common Stock under the next Offering under the Plan, unless such Participant withdraws from or is not eligible to participate in such next Offering, in which case such amount will be distributed to such Participant after the final Purchase Date without interest (unless the payment of interest is otherwise required by Applicable Law). If the amount of Contributions remaining in a Participant's account after the purchase of shares of Common Stock is at least equal to the amount required to purchase one (1) whole share of Common Stock on the final Purchase Date of an Offering, then such remaining amount will be distributed in full to such Participant after the final Purchase Date of such Offering without interest (unless otherwise required by Applicable Law).

(c) No Purchase Rights may be exercised to any extent unless the shares of Common Stock to be issued upon such exercise under the Plan are covered by an effective registration statement pursuant to the Securities Act and the Plan is in material compliance with all applicable U.S. and non-U.S. federal, state and other securities, exchange control and other laws applicable to the Plan. If on a Purchase Date the shares of Common Stock are not so registered or the Plan is not in such compliance, no Purchase Rights will be exercised on such Purchase Date, and, subject to Section 423 of the Code with respect to the 423 Component, the Purchase Date will be delayed until the shares of Common Stock are subject to such an effective registration statement and the Plan is in material compliance, except that the Purchase Date will in no event be more than 27 months from the

Offering Date. If, on the Purchase Date, as delayed to the maximum extent permissible, the shares of Common Stock are not registered and the Plan is not in material compliance with all Applicable Laws, as determined by the Company in its sole discretion, no Purchase Rights will be exercised and all accumulated but unused Contributions will be distributed to the Participants without interest (unless the payment of interest is otherwise required by Applicable Law).

9. COVENANTS OF THE COMPANY.

The Company will seek to obtain from each U.S. and non-U.S. federal, state or other regulatory commission, agency or other Governmental Body having jurisdiction over the Plan such authority as may be required to grant Purchase Rights and issue and sell shares of Common Stock thereunder unless the Company determines, in its sole discretion, that doing so is not practical or would cause the Company to incur costs that are unreasonable. If, after commercially reasonable efforts, the Company is unable to obtain the authority that counsel for the Company deems necessary for the grant of Purchase Rights or the lawful issuance and sale of Common Stock under the Plan, and at a commercially reasonable cost, the Company will be relieved from any liability for failure to grant Purchase Rights and/or to issue and sell Common Stock upon exercise of such Purchase Rights.

10. DESIGNATION OF BENEFICIARY.

(a) The Company may, but is not obligated to, permit a Participant to submit a form designating a beneficiary who will receive any shares of Common Stock and/or Contributions from the Participant's account under the Plan if the Participant dies before such shares and/or Contributions are delivered to the Participant. The Company may, but is not obligated to, permit the Participant to change such designation of beneficiary. Any such designation and/or change must be on a form approved by the Company.

(b) If a Participant dies, and in the absence of a valid beneficiary designation, the Company will deliver any shares of Common Stock and/or Contributions to the executor or administrator of the estate of the Participant. If no executor or administrator has been appointed (to the knowledge of the Company), the Company, in its sole discretion, may deliver such shares of Common Stock and/or Contributions, without interest (unless the payment of interest is otherwise required by Applicable Law), to the Participant's spouse, dependents or relatives, or if no spouse, dependent or relative is known to the Company, then to such other person as the Company may designate.

11. ADJUSTMENTS UPON CHANGES IN COMMON STOCK; CORPORATE TRANSACTIONS.

(a) In the event of a Capitalization Adjustment, the Board will appropriately and proportionately adjust: (i) the class(es) and maximum number of securities subject to the Plan pursuant to Section 3(a), (ii) the class(es) and maximum number of securities by which the share reserve is to increase automatically each year pursuant to Section 3(a), (iii) the class(es) and number of securities subject to, and the purchase price applicable to outstanding Offerings and Purchase Rights, and (iv) the class(es) and number of securities that are the subject of the purchase limits under each ongoing Offering. The Board will make these adjustments, and its determination will be final, binding and conclusive.

(b) In the event of a Corporate Transaction, then: (i) any surviving corporation or acquiring corporation (or the surviving or acquiring corporation's parent company) may assume or continue outstanding Purchase Rights or may substitute similar rights (including a right to acquire the same consideration paid to the stockholders in the Corporate Transaction) for outstanding Purchase Rights, or (ii) if any surviving or acquiring corporation (or its parent company) does not assume or continue such Purchase Rights or does not substitute similar rights for such Purchase Rights, then the Participants' accumulated Contributions will be used to purchase shares of Common Stock (rounded down to the nearest whole share) within ten business days (or such other period specified by the Board) prior to the Corporate Transaction under the outstanding Purchase Rights, and the Purchase Rights will terminate immediately after such purchase.

12. AMENDMENT, TERMINATION OR SUSPENSION OF THE PLAN.

(a) The Board may amend the Plan at any time in any respect the Board deems necessary or advisable. However, except as provided in Section 11(a) relating to Capitalization Adjustments, stockholder approval will be required for any amendment of the Plan for which stockholder approval is required by Applicable Law.

(b) The Board may suspend or terminate the Plan at any time. No Purchase Rights may be granted under the Plan while the Plan is suspended or after it is terminated.

(c) Any benefits, privileges, entitlements and obligations under any outstanding Purchase Rights granted before an amendment, suspension or termination of the Plan will not be materially impaired by any such amendment, suspension or termination except (i) with the consent of the person to whom such Purchase Rights were granted, (ii) as necessary to facilitate compliance with any laws, listing requirements, or governmental regulations (including, without limitation, the provisions of Section 423 of the Code and the regulations and other interpretive guidance issued thereunder relating to Employee Stock Purchase Plans) including without limitation any such regulations or other guidance that may be issued or amended after the date the Plan is adopted by the Board, or (iii) as necessary to obtain or maintain favorable tax, listing, or regulatory treatment. To be clear, the Board may amend outstanding Purchase Rights without a Participant's consent if such amendment is necessary to ensure that the Purchase Right and/or the Plan complies with the requirements of Section 423 of the Code with respect to the 423 Component or with respect to other Applicable Laws. Notwithstanding anything in the Plan or any Offering Document to the contrary, the Board will be entitled to: (i) establish the exchange ratio applicable to amounts withheld in a currency other than U.S. dollars; (ii) permit Contributions in excess of the amount designated by a Participant in order to adjust for mistakes in the Company's processing of properly completed Contribution elections; (iii) establish reasonable waiting and adjustment periods and/or accounting and crediting procedures to ensure that amounts applied toward the purchase of Common Stock for each Participant properly correspond with amounts withheld from the Participant's Contributions; (iv) amend any outstanding Purchase Rights or clarify any ambiguities regarding the terms of any Offering to enable the Purchase Rights to qualify under and/or comply with Section 423 of the Code with respect to the 423 Component; and (v) establish other limitations or procedures as the Board determines in its sole discretion advisable that are consistent with the Plan. The actions of the Board pursuant to this paragraph will not be considered to alter or impair any Purchase Rights granted under an Offering as they are part of the initial terms of each Offering and the Purchase Rights granted under each Offering.

13. Tax Qualification; Tax Withholding.

(a) Although the Company may endeavor to (i) qualify a Purchase Right for special tax treatment under the laws of the United States or jurisdictions outside of the United States or (ii) avoid adverse tax treatment, the Company makes no representation to that effect and expressly disavows any covenant to maintain special or to avoid unfavorable tax treatment, notwithstanding anything to the contrary in this Plan. The Company will be unconstrained in its corporate activities without regard to the potential negative tax impact on Participants.

(b) Each Participant will make arrangements, satisfactory to the Company and any applicable Related Corporation or Affiliate, to enable the Company, the Related Corporation or the Affiliate to fulfill any withholding obligation for Tax-Related Items. Without limitation to the foregoing, in the Company's sole discretion and subject to Applicable Law, such withholding obligation may be satisfied in whole or in part by (i) withholding from the Participant's salary or any other cash payment due to the Participant from the Company, a Related Corporation or an Affiliate; (ii) withholding from the proceeds of the sale of shares of Common Stock acquired under the Plan, either through a voluntary sale or a mandatory sale arranged by the Company; or (iii) any other method deemed acceptable by the Board. The Company shall not be required to issue any shares of Common Stock under the Plan until such obligations are satisfied.

(c) The 423 Component is exempt from the application of Section 409A of the Code, and any ambiguities herein shall be interpreted to so be exempt from Section 409A of the Code. The Non-423 Component is intended

to be exempt from the application of Section 409A of the Code under the short-term deferral exception and any ambiguities shall be construed and interpreted in accordance with such intent. In furtherance of the foregoing and notwithstanding any provision in the Plan to the contrary, if the Committee determines that an option granted under the Plan may be subject to Section 409A of the Code or that any provision in the Plan would cause an option under the Plan to be subject to Section 409A, the Committee may amend the terms of the Plan and/or of an outstanding option granted under the Plan, or take such other action the Committee determines is necessary or appropriate, in each case, without the Participant's consent, to exempt any outstanding option or future option that may be granted under the Plan from or to allow any such options to comply with Section 409A of the Code, but only to the extent any such amendments or action by the Committee would not violate Section 409A of the Code. Notwithstanding the foregoing, the Company shall have no liability to a Participant or any other party if the option under the Plan that is intended to be exempt from or compliant with Section 409A of the Code is not so exempt or compliant or for any action taken by the Committee with respect thereto.

14. EFFECTIVE DATE OF PLAN.

The Plan will become effective immediately prior to and contingent upon the Effective Date. No Purchase Rights will be exercised unless and until the Plan has been approved by the stockholders of the Company, which approval must be within 12 months before or after the date the Plan is adopted (or if required under Section 12(a) above, materially amended) by the Board.

15. MISCELLANEOUS PROVISIONS.

(a) Proceeds from the sale of shares of Common Stock pursuant to Purchase Rights will constitute general funds of the Company.

(b) A Participant will not be deemed to be the holder of, or to have any of the rights of a holder with respect to, shares of Common Stock subject to Purchase Rights unless and until the Participant's shares of Common Stock acquired upon exercise of Purchase Rights are recorded in the books of the Company (or its transfer agent).

(c) The Plan and Offering do not constitute an employment contract. Nothing in the Plan or in the Offering will in any way alter the at will nature of a Participant's employment or amend a Participant's employment or service contract, as applicable, or be deemed to create in any way whatsoever any obligation on the part of any Participant to continue in the employ or service of the Company, a Related Corporation or an Affiliate, or on the part of the Company, a Related Corporation or an Affiliate to continue the employment or service of a Participant.

(d) The provisions of the Plan will be governed by the laws of the State of Delaware without resort to that state's conflict of laws rules.

(e) If any particular provision of the Plan is found to be invalid or otherwise unenforceable, such provision will not affect the other provisions of the Plan, but the Plan will be construed in all respects as if such invalid provision were omitted.

(f) If any provision of the Plan does not comply with Applicable Law, such provision shall be construed in such a manner as to comply with Applicable Law.

16. DEFINITIONS.

As used in the Plan, the following definitions will apply to the capitalized terms indicated below:

(a) "**423 Component**" means the part of the Plan, which excludes the Non-423 Component, pursuant to which Purchase Rights that satisfy the requirements for an Employee Stock Purchase Plan may be granted to Eligible Employees.

(b) “**Affiliate**” means any entity, other than a Related Corporation, whether now or subsequently established, which is at the time of determination, a “parent” or “subsidiary” of the Company as such terms are defined in Rule 405 promulgated under the Securities Act. The Board may determine the time or times at which “parent” or “subsidiary” status is determined within the foregoing definition.

(c) “**Applicable Law**” means the Code and any applicable U.S. and non-U.S. securities, exchange control, tax, federal, state, material local or municipal or other law, statute, constitution, principle of common law, resolution, ordinance, code, edict, decree, rule, listing rule, regulation, judicial decision, ruling or requirement issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any Governmental Body (or under the authority of the New York Stock Exchange, Nasdaq Stock Market or the Financial Industry Regulatory Authority).

(d) “**Board**” means the Board of Directors of the Company.

(e) “**Capitalization Adjustment**” means any change that is made in, or other events that occur with respect to, the Common Stock subject to the Plan or subject to any Purchase Right after the date the Plan is adopted by the Board without the receipt of consideration by the Company through merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, large nonrecurring cash dividend, stock split, liquidating dividend, combination of shares, exchange of shares, change in corporate structure or other similar equity restructuring transaction, as that term is used in Financial Accounting Standards Board Accounting Standards Codification Topic 718 (or any successor thereto). Notwithstanding the foregoing, the conversion of any convertible securities of the Company will not be treated as a Capitalization Adjustment.

(f) “**Code**” means the U.S. Internal Revenue Code of 1986, as amended, including any applicable regulations and guidance thereunder.

(g) “**Committee**” means a committee of one or more members of the Board to whom authority has been delegated by the Board in accordance with Section 2(c).

(h) “**Common Stock**” means the common stock of the Company.

(i) “**Company**” means Candid Therapeutics, Inc., a Delaware corporation.

(j) “**Contributions**” means the payroll deductions, contributions made by Participants in case payroll deductions are impermissible or problematic under Applicable Law and other additional payments specifically provided for in the Offering that a Participant contributes to fund the exercise of a Purchase Right. A Participant may make additional payments into the Participant’s account if specifically provided for in the Offering, and then only if the Participant has not already had the maximum permitted amount withheld during the Offering through payroll deductions or other contributions and, with respect to the 423 Component, to the extent permitted by Section 423.

(k) “**Corporate Transaction**” means the consummation, in a single transaction or in a series of related transactions, of any one or more of the following events:

(i) a sale or other disposition of all or substantially all, as determined by the Board in its sole discretion, of the consolidated assets of the Company and its subsidiaries;

(ii) a sale or other disposition of more than 50% of the outstanding securities of the Company;

(iii) a merger, consolidation or similar transaction following which the Company is not the surviving corporation; or

(iv) a merger, consolidation or similar transaction following which the Company is the surviving corporation but the shares of Common Stock outstanding immediately preceding the merger, consolidation or similar transaction are converted or exchanged by virtue of the merger, consolidation or similar transaction into other property, whether in the form of securities, cash or otherwise.

(l) “**Designated 423 Company**” means any Related Corporation selected by the Board as participating in the 423 Component.

(m) “**Designated Company**” means any Designated Non-423 Company or Designated 423 Company, provided, however, that at any given time, a Related Corporation participating in the 423 Component shall not be a Related Corporation participating in the Non-423 Component.

(n) “**Designated Non-423 Company**” means any Related Corporation or Affiliate selected by the Board as participating in the Non-423 Component.

(o) “**Director**” means a member of the Board.

(p) “**Effective Date**” means the effective date of this Plan, which is [], 2026.

(q) “**Eligible Employee**” means an Employee who meets the requirements set forth in the document(s) governing the Offering for eligibility to participate in the Offering, provided that such Employee also meets the requirements for eligibility to participate set forth in the Plan.

(r) “**Employee**” means any person, including an Officer or Director, who is “employed” for purposes of Section 423(b)(4) of the Code by the Company or a Related Corporation or solely with respect to the Non-423 Component, an Affiliate. However, service solely as a Director, or payment of a fee for such services, will not cause a Director to be considered an “Employee” for purposes of the Plan.

(s) “**Employee Stock Purchase Plan**” means a plan that grants Purchase Rights intended to be options issued under an “employee stock purchase plan,” as that term is defined in Section 423(b) of the Code.

(t) “**Exchange Act**” means the U.S. Securities Exchange Act of 1934, as amended and the rules and regulations promulgated thereunder.

(u) “**Fair Market Value**” means, as of any date, the value of the Common Stock determined as follows:

(i) If the Common Stock is listed on any established stock exchange or traded on any established market, the Fair Market Value of a share of Common Stock will be, unless otherwise determined by the Board, the **closing sales price** for such stock as quoted on such exchange or market (or the exchange or market with the greatest volume of trading in the Common Stock) **on the date of determination**, as reported in such source as the Board deems reliable. Unless otherwise provided by the Board, if there is no closing sales price for the Common Stock on the date of determination, then the Fair Market Value will be the closing sales price on the last preceding date for which such quotation exists.

(ii) In the absence of such markets for the Common Stock, the Fair Market Value will be determined by the Board in good faith in compliance with Applicable Laws and regulations and, to the extent applicable as determined in the sole discretion of the Board, in a manner that complies with Sections 409A of the Code.

(v) “**Fully Diluted Shares**” means, as of any date, all of the common stock of the Company outstanding plus all shares of common stock of the Company issuable upon conversion or exercise of outstanding securities and rights, including (without limitation) preferred stock on an as-converted basis, equity awards, warrants (including pre-funded warrants), and any convertible indebtedness or similar instruments, whether or not then vested or currently exercisable.

(w) “**Governmental Body**” means any: (i) nation, state, commonwealth, canton, province, territory, county, municipality, district or other jurisdiction of any nature; (ii) U.S. or non-U.S. federal, state, local, municipal or other government; (iii) governmental or regulatory body, or quasi-governmental body of any nature (including any governmental division, department, administrative agency or bureau, commission, authority, instrumentality, official, ministry, fund, foundation, center, organization, unit, body or entity and any court or other tribunal, and for the avoidance of doubt, any tax authority) or other body exercising similar powers or authority; or (iv) self-regulatory organization (including the New York Stock Exchange, the Nasdaq Stock Market and the Financial Industry Regulatory Authority).

(x) “**Non-423 Component**” means the part of the Plan, which excludes the 423 Component, pursuant to which Purchase Rights that are not intended to satisfy the requirements for an Employee Stock Purchase Plan may be granted to Eligible Employees.

(y) “**Offering**” means the grant to Eligible Employees of Purchase Rights, with the exercise of those Purchase Rights automatically occurring at the end of one or more Purchase Periods. The terms and conditions of an Offering will generally be set forth in the “**Offering Document**” approved by the Board for that Offering.

(z) “**Offering Date**” means a date selected by the Board for an Offering to commence.

(aa) “**Officer**” means a person who is an officer of the Company or a Related Corporation within the meaning of Section 16 of the Exchange Act.

(bb) “**Participant**” means an Eligible Employee who holds an outstanding Purchase Right.

(cc) “**Plan**” means this Candid Therapeutics, Inc. 2026 Employee Stock Purchase Plan, as amended from time to time, including both the 423 Component and the Non-423 Component.

(dd) “**Purchase Date**” means one or more dates during an Offering selected by the Board on which Purchase Rights will be exercised and on which purchases of shares of Common Stock will be carried out in accordance with such Offering.

(ee) “**Purchase Period**” means a period of time specified within an Offering, generally beginning on the Offering Date or on the first Trading Day following a Purchase Date, and ending on a Purchase Date. An Offering may consist of one or more Purchase Periods.

(ff) “**Purchase Right**” means an option to purchase shares of Common Stock granted pursuant to the Plan.

(gg) “**Related Corporation**” means any “parent corporation” or “subsidiary corporation” of the Company whether now or subsequently established, as those terms are defined in Sections 424(e) and (f), respectively, of the Code.

(hh) “**Securities Act**” means the U.S. Securities Act of 1933, as amended.

(ii) “**Tax-Related Items**” means any income tax, social insurance, payroll tax, fringe benefit tax, payment on account or other tax-related items arising out of or in relation to a Participant’s participation in the Plan, including, but not limited to, the exercise of a Purchase Right and the receipt of shares of Common Stock or the sale or other disposition of shares of Common Stock acquired under the Plan.

(jj) “**Trading Day**” means any day on which the exchange(s) or market(s) on which shares of Common Stock are listed, including but not limited to the New York Stock Exchange, Nasdaq Global Select Market, the Nasdaq Global Market, the Nasdaq Capital Market or any successors thereto, is open for trading.



VOTE BY INTERNET
Before The Meeting - Go to www.proxyvote.com or scan the QR Barcode above
Use the Internet to transmit your voting instructions and for electronic delivery of information up until 11:59 p.m. Eastern Time, 2026. Have your proxy card in hand when you access the website and follow the instructions to obtain your records and to create an electronic voting instruction form.
During The Meeting - Go to www.virtualshareholdermeeting.com/RLYB2026
You may attend the meeting via the Internet and vote during the meeting. Have the information that is printed in the box marked by the arrow available and follow the instructions.
VOTE BY PHONE - 1-800-690-6903
Use any touch-tone telephone to transmit your voting instructions up until 11:59 p.m. Eastern Time, 2026. Have your proxy card in hand when you call and then follow the instructions.
VOTE BY MAIL
Mark, sign and date your proxy card and return it in the postage-paid envelope we have provided or return it to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717.

TO VOTE, MARK BLOCKS BELOW IN BLUE OR BLACK INK AS FOLLOWS: V89690-[TBD] KEEP THIS PORTION FOR YOUR RECORDS
DETACH AND RETURN THIS PORTION ONLY

THIS PROXY CARD IS VALID ONLY WHEN SIGNED AND DATED.

RALLYBIO CORPORATION

The Board of Directors recommends you vote FOR the following proposals and FOR each of the nominees:

	For	Against	Abstain
1. To approve the issuance of shares of Rallybio Common Stock to the securityholders of Candid, pursuant to the terms of the Merger Agreement, which will (a) represent more than 20% of the shares of Rallybio Common Stock outstanding immediately prior to the Merger and (b) result in the change of control of Rallybio, pursuant to Nasdaq Listing Rules 5635(a) and 5635(b), respectively.	☐	☐	☐
2. To approve an amendment to Rallybio's amended and restated certificate of incorporation to effect a reverse stock split of Rallybio's issued and outstanding common stock at a ratio in the range from 1-for-2 to 1-for-3, inclusive, with the final ratio to be mutually agreed to by Rallybio.	☐	☐	☐
3. To approve an amendment to Rallybio's amended and restated certificate of incorporation to change the name of Rallybio to "Candid Therapeutics, Inc."	☐	☐	☐
4. To approve an amendment to Rallybio's amended and restated certificate of incorporation to increase the number of authorized shares of Rallybio Common Stock from 200,000,000 shares to 500,000,000 shares.	☐	☐	☐
5. To elect three Class II directors, each for a three-year term and until their successors are duly elected and qualified or until their earlier death, resignation or removal. Nominees:	For	Against	Abstain
5a. Helen M. Boudreau	☐	☐	☐
5b. Lucian Iancovici	☐	☐	☐
5c. Christine A. Nash	☐	☐	☐
6. To ratify the selection of Deloitte & Touche LLP independent registered public accounting firm for Rallybio for the fiscal year ending December 31, 2026.	☐	☐	☐
7. To approve the 2026 Plan, which will become effective on the date immediately following the consummation of the Merger and is contingent on the completion of the Merger.	☐	☐	☐
8. To approve the 2026 ESPP, which will become effective on the date immediately following the consummation of the Merger and is contingent on the completion of the Merger.	☐	☐	☐
9. To approve an adjournment of the Rallybio annual meeting, if necessary, to solicit additional proxies if there are not sufficient votes in favor of Proposal 1, Proposal 2, Proposal 3 and/or Proposal 4.	☐	☐	☐

Please sign exactly as your name(s) appear(s) hereon. When signing as attorney, executor, administrator, or other fiduciary, please give full title as such. Joint owners should each sign personally. All holders must sign. If a corporation or partnership, please sign in full corporate or partnership name by authorized officer.

Signature [PLEASE SIGN WITHIN BOX] Date

Signature (Joint Owners) Date

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting:
The Proxy Statement and Prospectus are available at www.proxyvote.com.

V89691-[TBD]

RALLYBIO CORPORATION
THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF
DIRECTORS
ANNUAL MEETING OF STOCKHOLDERS
, 2026

The stockholders hereby appoint Stephen Uden and Jonathan Lieber, or either of them, as proxies, each with the power to appoint his substitute, and hereby authorizes them to represent and to vote, as designated on the reverse side of this ballot, all of the shares of Common Stock of Rallybio Corporation that the stockholders are entitled to vote at the Annual Meeting of Stockholders to be held at _____, Eastern Time on _____, 2026, virtually at www.virtualshareholdermeeting.com/RLYB2026, and any adjournment or postponement thereof.

THIS PROXY, WHEN PROPERLY EXECUTED, WILL BE VOTED AS DIRECTED BY THE STOCKHOLDERS. IF NO SUCH DIRECTIONS ARE MADE, THIS PROXY WILL BE VOTED IN ACCORDANCE WITH THE RECOMMENDATION OF THE BOARD OF DIRECTORS OF RALLYBIO CORPORATION.

YOUR VOTE IS VERY IMPORTANT. PLEASE MARK, SIGN, DATE AND RETURN THIS PROXY CARD PROMPTLY USING THE ENCLOSED REPLY ENVELOPE OR SUBMIT YOUR PROXY OVER THE INTERNET OR BY TELEPHONE BY FOLLOWING THE INSTRUCTIONS SET FORTH ON THE ENCLOSED PROXY CARD.

CONTINUED AND TO BE SIGNED ON REVERSE SIDE

**SECTION 262 OF THE
GENERAL CORPORATION LAW OF THE STATE OF DELAWARE
APPRAISAL RIGHTS**

Appraisal Rights.

(a) Any stockholder of a corporations of this State who holds shares of stock on the date of the making of a demand pursuant to subsection (d) of this section with respect to such shares, who continuously holds such shares through the effective date of the merger, consolidation, conversion, transfer, domestication or continuance, who has otherwise complied with subsection (d) of this section and who has neither voted in favor of the merger, consolidation, conversion, transfer, domestication or continuance nor consented thereto in writing pursuant to § 228 of this title shall be entitled to an appraisal by the Court of Chancery of the fair value of the stockholder's shares of stock under the circumstances described in subsections (b) and (c) of this section. As used in this section, the word "stockholder" means a holder of record of stock in a corporation; the words "stock" and "share" mean and include what is ordinarily meant by those words; the words "depository receipt" mean a receipt or other instrument issued by a depository representing an interest in 1 or more shares, or fractions thereof, solely of stock of a corporation, which stock is deposited with the depository; the words "beneficial owner" mean a person who is the beneficial owner of shares of stock held either in voting trust or by a nominee on behalf of such person; and the word "person" means any individual, corporation, partnership, unincorporated association or other entity.

(b) Appraisal rights shall be available for the shares of any class or series of stock of a constituent, converting, transferring, domesticating or continuing corporation in a merger, consolidation, conversion, transfer, domestication or continuance to be effected pursuant to § 251 (other than a merger effected pursuant to § 251(g) of this title), § 252, § 254, § 255, § 256, § 257, § 258, § 263, § 264, § 266 or § 390 of this title (other than, in each case and solely with respect to a converted or domesticated corporation, a merger, consolidation, conversion, transfer, domestication or continuance authorized pursuant to and in accordance with the provisions of § 265 or § 388 of this title):

(1) Provided, however, that no appraisal rights under this section shall be available for the shares of any class or series of stock, which stock, or depository receipts in respect thereof, at the record date fixed to determine the stockholders entitled to receive notice of the meeting of stockholders, or at the record date fixed to determine the stockholders entitled to consent pursuant to § 228 of this title, to act upon the agreement of merger or consolidation or the resolution providing for the conversion, transfer, domestication or continuance (or, in the case of a merger pursuant to § 251(h) of this title, as of immediately prior to the execution of the agreement of merger), were either: (i) listed on a national securities exchange or (ii) held of record by more than 2,000 holders; and further provided that no appraisal rights shall be available for any shares of stock of the constituent corporation surviving a merger if the merger did not require for its approval the vote of the stockholders of the surviving corporation as provided in § 251(f) of this title.

(2) Notwithstanding paragraph (b)(1) of this section, appraisal rights under this section shall be available for the shares of any class or series of stock of a constituent, converting, transferring, domesticating or continuing corporation if the holders thereof are required by the terms of an agreement of merger or consolidation, or by the terms of a resolution providing for conversion, transfer, domestication or continuance, pursuant to § 251, § 252, § 254, § 255, § 256, § 257, § 258, § 263, § 264, § 266 or § 390 of this title to accept for such stock anything except:

a. Shares of stock of the corporation surviving or resulting from such merger or consolidation, or of the converted entity or the entity resulting from a transfer, domestication or continuance if such entity is a corporation as a result of the conversion, transfer, domestication or continuance, or depository receipts in respect thereof;

b. Shares of stock of any other corporation, or depository receipts in respect thereof, which shares of stock (or depository receipts in respect thereof) or depository receipts at the effective date of the merger, consolidation, conversion, transfer, domestication or continuance will be either listed on a national securities exchange or held of record by more than 2,000 holders;

c. Cash in lieu of fractional shares or fractional depository receipts described in the foregoing paragraphs (b)(2)a. and b. of this section; or

d. Any combination of the shares of stock, depository receipts and cash in lieu of fractional shares or fractional depository receipts described in the foregoing paragraphs (b)(2)a., b. and c. of this section.

(3) In the event all of the stock of a subsidiary Delaware corporation party to a merger effected under § 253 or § 267 of this title is not owned by the parent immediately prior to the merger, appraisal rights shall be available for the shares of the subsidiary Delaware corporation.

(4) [Repealed.]

(c) Any corporation may provide in its certificate of incorporation that appraisal rights under this section shall be available for the shares of any class or series of its stock as a result of an amendment to its certificate of incorporation, any merger or consolidation in which the corporation is a constituent corporation, the sale of all or substantially all of the assets of the corporation or a conversion effected pursuant to § 266 of this title or a transfer, domestication or continuance effected pursuant to § 390 of this title. If the certificate of incorporation contains such a provision, the provisions of this section, including those set forth in subsections (d), (e), and (g) of this section, shall apply as nearly as is practicable.

(d) Appraisal rights shall be perfected as follows:

(1) If a proposed merger, consolidation, conversion, transfer, domestication or continuance for which appraisal rights are provided under this section is to be submitted for approval at a meeting of stockholders, the corporation, not less than 20 days prior to the meeting, shall notify each of its stockholders who was such on the record date for notice of such meeting (or such members who received notice in accordance with § 255(c) of this title) with respect to shares for which appraisal rights are available pursuant to subsection (b) or (c) of this section that appraisal rights are available for any or all of the shares of the constituent corporations or the converting, transferring, domesticating or continuing corporation, and shall include in such notice either a copy of this section (and, if 1 of the constituent corporations or the converting corporation is a nonstock corporation, a copy of § 114 of this title) or information directing the stockholders to a publicly available electronic resource at which this section (and, § 114 of this title, if applicable) may be accessed without subscription or cost. Each stockholder electing to demand the appraisal of such stockholder's shares shall deliver to the corporation, before the taking of the vote on the merger, consolidation, conversion, transfer, domestication or continuance, a written demand for appraisal of such stockholder's shares; provided that a demand may be delivered to the corporation by electronic transmission if directed to an information processing system (if any) expressly designated for that purpose in such notice. Such demand will be sufficient if it reasonably informs the corporation of the identity of the stockholder and that the stockholder intends thereby to demand the appraisal of such stockholder's shares. A proxy or vote against the merger, consolidation, conversion, transfer, domestication or continuance shall not constitute such a demand. A stockholder electing to take such action must do so by a separate written demand as herein provided. Within 10 days after the effective date of such merger, consolidation, conversion, transfer, domestication or continuance, the surviving, resulting or converted entity shall notify each stockholder of each constituent or converting, transferring, domesticating or continuing corporation who has complied with this subsection and has not voted in favor of or consented to the merger, consolidation, conversion, transfer, domestication or continuance, and any beneficial owner who has demanded appraisal under paragraph (d)(3) of this section, of the date that the merger, consolidation or conversion has become effective; or

(2) If the merger, consolidation, conversion, transfer, domestication or continuance was approved pursuant to § 228, § 251(h), § 253, or § 267 of this title, then either a constituent, converting, transferring, domesticating or continuing corporation before the effective date of the merger, consolidation, conversion, transfer, domestication or continuance, or the surviving, resulting or converted entity within 10 days after such effective date, shall notify each stockholder of any class or series of stock of such constituent, converting, transferring, domesticating or continuing corporation who is entitled to appraisal rights of the approval of the merger, consolidation, conversion, transfer, domestication or continuance and that appraisal rights are available for any or all shares of

such class or series of stock of such constituent, converting, transferring, domesticating or continuing corporation, and shall include in such notice either a copy of this section (and, if 1 of the constituent corporations or the converting, transferring, domesticating or continuing corporation is a nonstock corporation, a copy of § 114 of this title) or information directing the stockholders to a publicly available electronic resource at which this section (and § 114 of this title, if applicable) may be accessed without subscription or cost. Such notice may, and, if given on or after the effective date of the merger, consolidation, conversion, transfer, domestication or continuance, shall, also notify such stockholders of the effective date of the merger, consolidation, conversion, transfer, domestication or continuance. Any stockholder entitled to appraisal rights may, within 20 days after the date of giving such notice or, in the case of a merger approved pursuant to § 251(h) of this title, within the later of the consummation of the offer contemplated by § 251(h) of this title and 20 days after the date of giving such notice, demand in writing from the surviving, resulting or converted entity the appraisal of such holder's shares; provided that a demand may be delivered to such entity by electronic transmission if directed to an information processing system (if any) expressly designated for that purpose in such notice. Such demand will be sufficient if it reasonably informs such entity of the identity of the stockholder and that the stockholder intends thereby to demand the appraisal of such holder's shares. If such notice did not notify stockholders of the effective date of the merger, consolidation, conversion, transfer, domestication or continuance, either (i) each such constituent corporation or the converting, transferring, domesticating or continuing corporation shall send a second notice before the effective date of the merger, consolidation, conversion, transfer, domestication or continuance notifying each of the holders of any class or series of stock of such constituent, converting, transferring, domesticating or continuing corporation that are entitled to appraisal rights of the effective date of the merger, consolidation, conversion, transfer, domestication or continuance or (ii) the surviving, resulting or converted entity shall send such a second notice to all such holders on or within 10 days after such effective date; provided, however, that if such second notice is sent more than 20 days following the sending of the first notice or, in the case of a merger approved pursuant to § 251(h) of this title, later than the later of the consummation of the offer contemplated by § 251(h) of this title and 20 days following the sending of the first notice, such second notice need only be sent to each stockholder who is entitled to appraisal rights and who has demanded appraisal of such holder's shares in accordance with this subsection and any beneficial owner who has demanded appraisal under paragraph (d)(3) of this section. An affidavit of the secretary or assistant secretary or of the transfer agent of the corporation or entity that is required to give either notice that such notice has been given shall, in the absence of fraud, be prima facie evidence of the facts stated therein. For purposes of determining the stockholders entitled to receive either notice, each constituent corporation or the converting, transferring, domesticating or continuing corporation may fix, in advance, a record date that shall be not more than 10 days prior to the date the notice is given, provided, that if the notice is given on or after the effective date of the merger, consolidation, conversion, transfer, domestication or continuance, the record date shall be such effective date. If no record date is fixed and the notice is given prior to the effective date, the record date shall be the close of business on the day next preceding the day on which the notice is given.

(3) Notwithstanding subsection (a) of this section (but subject to this paragraph (d)(3)), a beneficial owner may, in such person's name, demand in writing an appraisal of such beneficial owner's shares in accordance with either paragraph (d)(1) or (2) of this section, as applicable; provided that (i) such beneficial owner continuously owns such shares through the effective date of the merger, consolidation, conversion, transfer, domestication or continuance and otherwise satisfies the requirements applicable to a stockholder under the first sentence of subsection (a) of this section and (ii) the demand made by such beneficial owner reasonably identifies the holder of record of the shares for which the demand is made, is accompanied by documentary evidence of such beneficial owner's beneficial ownership of stock and a statement that such documentary evidence is a true and correct copy of what it purports to be, and provides an address at which such beneficial owner consents to receive notices given by the surviving, resulting or converted entity hereunder and to be set forth on the verified list required by subsection (f) of this section.

(e) Within 120 days after the effective date of the merger, consolidation, conversion, transfer, domestication or continuance, the surviving, resulting or converted entity, or any person who has complied with subsections (a) and (d) of this section and who is otherwise entitled to appraisal rights, may commence an appraisal

proceeding by filing a petition in the Court of Chancery demanding a determination of the value of the stock of all such stockholders. Notwithstanding the foregoing, at any time within 60 days after the effective date of the merger, consolidation, conversion, transfer, domestication or continuance, any person entitled to appraisal rights who has not commenced an appraisal proceeding or joined that proceeding as a named party shall have the right to withdraw such person's demand for appraisal and to accept the terms offered upon the merger, consolidation, conversion, transfer, domestication or continuance. Within 120 days after the effective date of the merger, consolidation, conversion, transfer, domestication or continuance, any person who has complied with the requirements of subsections (a) and (d) of this section, upon request given in writing (or by electronic transmission directed to an information processing system (if any) expressly designated for that purpose in the notice of appraisal), shall be entitled to receive from the surviving, resulting or converted entity a statement setting forth the aggregate number of shares not voted in favor of the merger, consolidation, conversion, transfer, domestication or continuance (or, in the case of a merger approved pursuant to § 251(h) of this title, the aggregate number of shares (other than any excluded stock (as defined in § 251(h)(6)(d) of this title)) that were the subject of, and were not tendered into, and accepted for purchase or exchange in, the offer referred to in § 251(h)(2) of this title)), and, in either case, with respect to which demands for appraisal have been received and the aggregate number of stockholders or beneficial owners holding or owning such shares (provided that, where a beneficial owner makes a demand pursuant to paragraph (d)(3) of this section, the record holder of such shares shall not be considered a separate stockholder holding such shares for purposes of such aggregate number). Such statement shall be given to the person within 10 days after such person's request for such a statement is received by the surviving, resulting or converted entity or within 10 days after expiration of the period for delivery of demands for appraisal under subsection (d) of this section, whichever is later.

(f) Upon the filing of any such petition by any person other than the surviving, resulting or converted entity, service of a copy thereof shall be made upon such entity, which shall within 20 days after such service file in the office of the Register in Chancery in which the petition was filed a duly verified list containing the names and addresses of all persons who have demanded appraisal for their shares and with whom agreements as to the value of their shares have not been reached by such entity. If the petition shall be filed by the surviving, resulting or converted entity, the petition shall be accompanied by such a duly verified list. The Register in Chancery, if so ordered by the Court, shall give notice of the time and place fixed for the hearing of such petition by registered or certified mail to the surviving, resulting or converted entity and to the persons shown on the list at the addresses therein stated. The forms of the notices by mail and by publication shall be approved by the Court, and the costs thereof shall be borne by the surviving, resulting or converted entity.

(g) At the hearing on such petition, the Court shall determine the persons who have complied with this section and who have become entitled to appraisal rights. The Court may require the persons who have demanded an appraisal for their shares and who hold stock represented by certificates to submit their certificates of stock to the Register in Chancery for notation thereon of the pendency of the appraisal proceedings; and if any person fails to comply with such direction, the Court may dismiss the proceedings as to such person. If immediately before the merger, consolidation, conversion, transfer, domestication or continuance the shares of the class or series of stock of the constituent, converting, transferring, domesticating or continuing corporation as to which appraisal rights are available were listed on a national securities exchange, the Court shall dismiss the proceedings as to all holders of such shares who are otherwise entitled to appraisal rights unless (1) the total number of shares entitled to appraisal exceeds 1% of the outstanding shares of the class or series eligible for appraisal, (2) the value of the consideration provided in the merger, consolidation, conversion, transfer, domestication or continuance for such total number of shares exceeds \$1 million, or (3) the merger was approved pursuant to § 253 or § 267 of this title.

(h) After the Court determines the persons entitled to an appraisal, the appraisal proceeding shall be conducted in accordance with the rules of the Court of Chancery, including any rules specifically governing appraisal proceedings. Through such proceeding the Court shall determine the fair value of the shares exclusive of any element of value arising from the accomplishment or expectation of the merger, consolidation, conversion, transfer, domestication or continuance, together with interest, if any, to be paid upon the amount determined to be the fair value. In determining such fair value, the Court shall take into account all relevant factors. Unless the

Court in its discretion determines otherwise for good cause shown, and except as provided in this subsection, interest from the effective date of the merger, consolidation, conversion, transfer, domestication or continuance through the date of payment of the judgment shall be compounded quarterly and shall accrue at 5% over the Federal Reserve discount rate (including any surcharge) as established from time to time during the period between the effective date of the merger, consolidation or conversion and the date of payment of the judgment. At any time before the entry of judgment in the proceedings, the surviving, resulting or converted entity may pay to each person entitled to appraisal an amount in cash, in which case interest shall accrue thereafter as provided herein only upon the sum of (1) the difference, if any, between the amount so paid and the fair value of the shares as determined by the Court, and (2) interest theretofore accrued, unless paid at that time. Upon application by the surviving, resulting or converted entity or by any person entitled to participate in the appraisal proceeding, the Court may, in its discretion, proceed to trial upon the appraisal prior to the final determination of the persons entitled to an appraisal. Any person whose name appears on the list filed by the surviving, resulting or converted entity pursuant to subsection (f) of this section may participate fully in all proceedings until it is finally determined that such person is not entitled to appraisal rights under this section.

(i) The Court shall direct the payment of the fair value of the shares, together with interest, if any, by the surviving, resulting or converted entity to the persons entitled thereto. Payment shall be so made to each such person upon such terms and conditions as the Court may order. The Court's decree may be enforced as other decrees in the Court of Chancery may be enforced, whether such surviving, resulting or converted entity be an entity of this State or of any state.

(j) The costs of the proceeding may be determined by the Court and taxed upon the parties as the Court deems equitable in the circumstances. Upon application of a person whose name appears on the list filed by the surviving, resulting or converted entity pursuant to subsection (f) of this section who participated in the proceeding and incurred expenses in connection therewith, the Court may order all or a portion of such expenses, including, without limitation, reasonable attorney's fees and the fees and expenses of experts, to be charged pro rata against the value of all the shares entitled to an appraisal not dismissed pursuant to subsection (k) of this section or subject to such an award pursuant to a reservation of jurisdiction under subsection (k) of this section.

(k) Subject to the remainder of this subsection, from and after the effective date of the merger, consolidation, conversion, transfer, domestication or continuance, no person who has demanded appraisal rights with respect to some or all of such person's shares as provided in subsection (d) of this section shall be entitled to vote such shares for any purpose or to receive payment of dividends or other distributions on such shares (except dividends or other distributions payable to stockholders of record at a date which is prior to the effective date of the merger, consolidation, conversion, transfer, domestication or continuance). If a person who has made a demand for an appraisal in accordance with this section shall deliver to the surviving, resulting or converted entity a written withdrawal of such person's demand for an appraisal in respect of some or all of such person's shares in accordance with subsection (e) of this section, either within 60 days after such effective date or thereafter with the written approval of the corporation, then the right of such person to an appraisal of the shares subject to the withdrawal shall cease. Notwithstanding the foregoing, an appraisal proceeding in the Court of Chancery shall not be dismissed as to any person without the approval of the Court, and such approval may be conditioned upon such terms as the Court deems just, including without limitation, a reservation of jurisdiction for any application to the Court made under subsection (j) of this section; provided, however that this provision shall not affect the right of any person who has not commenced an appraisal proceeding or joined that proceeding as a named party to withdraw such person's demand for appraisal and to accept the terms offered upon the merger, consolidation, conversion, transfer, domestication or continuance within 60 days after the effective date of the merger, consolidation, conversion, transfer, domestication or continuance, as set forth in subsection (e) of this section. If a petition for an appraisal is not filed within the time provided in subsection (e) of this section, the right to appraisal with respect to all shares shall cease.

(l) The shares or other equity interests of the surviving, resulting or converted entity to which the shares of stock subject to appraisal under this section would have otherwise converted but for an appraisal demand made in accordance with this section shall have the status of authorized but not outstanding shares of stock or other equity interests of the surviving, resulting or converted entity, unless and until the person that has demanded appraisal is no longer entitled to appraisal pursuant to this section.

PART II

INFORMATION NOT REQUIRED IN PROXY STATEMENT/PROSPECTUS

Item 20. Indemnification of Directors and Officers.

As permitted by Section 102(b)(7) of the DGCL, Rallybio's amended and restated certificate of incorporation includes a provision to eliminate the personal liability of Rallybio's directors for monetary damages for breach of their fiduciary duties as directors, subject to certain exceptions. In addition, Rallybio's amended and restated certificate of incorporation and amended and restated bylaws provide that Rallybio required to indemnify its officers and directors under certain circumstances, including those circumstances in which indemnification would otherwise be discretionary, and Rallybio is required to advance expenses to its officers and directors as incurred in connection with proceedings against them for which they may be indemnified, in each case except to the extent that the DGCL prohibits the elimination or limitation of liability of directors for breaches of fiduciary duty.

Section 145(a) of the DGCL provides that a corporation shall have the power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation) by reason of the fact that the person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interest of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful. Indemnification shall be made with respect to any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation unless and only to the extent that the Delaware Court of Chancery (the "Court of Chancery") or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper.

Rallybio has entered into indemnification agreements with its directors and certain of its officers. These indemnification agreements provide broader indemnity rights than those provided under the DGCL and Rallybio's amended and restated certificate of incorporation. These indemnification agreements are not intended to deny or otherwise limit third-party or derivative suits against Rallybio or its directors or officers, but to the extent a director or officer were entitled to indemnity or contribution under the indemnification agreement, the financial burden of a third-party suit would be borne by Rallybio, and Rallybio would not benefit from derivative recoveries against the director or officer. Such recoveries would accrue to Rallybio's benefit but would be offset by Rallybio's obligations to the director or officer under the indemnification agreement.

Rallybio maintains directors' and officers' liability insurance for the benefit of its directors and officers.

The Merger Agreement provides that, subject to certain limitations as set forth in the Merger Agreement, from the Effective Time through the sixth anniversary of the date on which the Effective Time occurs, Rallybio and the Surviving Corporation will indemnify each person who is, has been at any time prior to the date of the Merger Agreement, or who becomes prior to the Effective Time, a director, officer, fiduciary or agent of Rallybio or Candid or their respective subsidiaries. The Merger Agreement also provides that the provisions relating to the indemnification, advancement of expenses and exculpation of present and former directors and officers of Rallybio or any of its subsidiaries set forth in the organizational documents of Rallybio or any of its subsidiaries will not be amended, modified or repealed for a period of six years from the Effective Time in any manner that would adversely affect the rights of individuals who, at or prior to the Effective Time, were officers or directors of Rallybio or any of its

subsidiaries, unless required by applicable law. After Closing, the organizational documents of the surviving corporation will contain provisions at least as favorable as the provisions relating to the indemnification, advancement of expenses and exculpation of present and former directors and officers presently set forth in Rallybio's organizational documents as of the date of the Merger Agreement.

From and after the Effective Time, (i) the Surviving Corporation shall fulfill and honor in all respects the obligations of the Candid to each person who is or has served as a director or officer of Candid as of immediately prior to the Closing pursuant to any indemnification provisions under Candid's amended and restated certificate of incorporation and bylaws and pursuant to any indemnification agreements between Candid and such directors and officers, with respect to claims arising out of matters occurring at or prior to the Effective Time and (ii) Rallybio shall fulfill and honor in all respects the obligations of Rallybio or any of its subsidiaries to each person who is or has served as a director or officer of Rallybio as of immediately prior to the Closing pursuant to any indemnification provisions under Rallybio's amended and restated certificate of incorporation and amended and restated bylaws or any of its subsidiaries and pursuant to any indemnification agreements between Rallybio or any of its subsidiaries and such directors and officers, with respect to claims arising out of matters occurring at or prior to the Effective Time.

From the Effective Time through the sixth (6th) anniversary of the date on which the Effective Time occurs, Rallybio shall maintain directors' and officers' liability insurance policies, with an effective date as of the Closing Date, on commercially available terms and conditions and with coverage limits customary for companies similarly situated to Rallybio.

From and after the Effective Time, Rallybio shall pay all expenses, including reasonable attorneys' fees, that are incurred by indemnified persons in connection with their successful enforcement of the rights provided to such persons in the Merger Agreement. The director and officer indemnification provisions of the Merger Agreement are intended to be in addition to the rights otherwise available to the current and former officers and directors of Rallybio and Candid by law, charter, statute, bylaw or agreement, and shall operate for the benefit of, and shall be enforceable by, each of such indemnified persons, their heirs and their representatives.

In the event Rallybio or the Surviving Corporation or any of their respective successors or assigns (i) consolidates with or merges into any other person and shall not be the continuing or surviving corporation or entity of such consolidation or merger, or (ii) transfers all or substantially all of its properties and assets to any person, then, and in each such case, proper provision shall be made so that the successors and assigns of Rallybio or the Surviving Corporation, as the case may be, shall succeed to the indemnification obligations set forth in the Merger Agreement. Rallybio shall cause the Surviving Corporation to perform all of the director and officer indemnification obligations of the Surviving Corporation under the Merger Agreement.

In the event Rallybio or the Surviving Corporation or any of their respective successors or assigns (i) consolidates with or merges into any other person and shall not be the continuing or surviving corporation or entity of such consolidation or merger, or (ii) transfers all or substantially all of its properties and assets to any person, then, and in each such case, proper provision shall be made so that the successors and assigns of Rallybio or the Surviving Corporation, as the case may be, shall succeed to the indemnification obligations set forth in the Merger Agreement. Rallybio shall cause the Surviving Corporation to perform all of the director and officer indemnification obligations of the Surviving Corporation under the Merger Agreement.

Item 21. Exhibits and Financial Statement Schedules.

(a) Exhibit Index

A list of exhibits filed with this registration statement on Form S-4 is set forth on the Exhibit Index and is incorporated herein by reference.

(b) Financial Statements

The financial statements filed with this registration statement on Form S-4 are set forth on the Financial Statement Index and is incorporated herein by reference.

Item 22. Undertakings.

- (a) The registrant hereby undertakes:
- a. To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:
 - i. To include any prospectus required by Section 10(a)(3) of the Securities Act;
 - ii. To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Securities and Exchange Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement; and
 - iii. To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement.
 - b. That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.
 - c. To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.
 - d. That, for the purpose of determining liability under the Securities Act to any purchaser, each prospectus filed pursuant to Rule 424(b) as part of a registration statement relating to an offering, other than registration statements relying on Rule 430B or other than prospectuses filed in reliance on Rule 430A, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness; provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.
 - e. That, for the purpose of determining liability of the registrant under the Securities Act to any purchaser in the initial distribution of the securities, if a primary offering of securities of the undersigned registrant is deemed to occur pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, and if the securities are deemed to be offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:
 - i. Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424;
 - ii. Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;
 - iii. The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and
 - iv. Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

- f. That, for purposes of determining any liability under the Securities Act, each filing of the registrant's annual report pursuant to Section 13(a) or 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference in this registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.
- g. That prior to any public reoffering of the securities registered hereunder through use of a prospectus which is a part of this registration statement, by any person or party who is deemed to be an underwriter within the meaning of Rule 145(c), the issuer undertakes that such reoffering prospectus will contain the information called for by the applicable registration form with respect to reofferings by persons who may be deemed underwriters, in addition to the information called for by the other Items of the applicable form.
- h. That every prospectus (i) that is filed pursuant to paragraph (g)(1) of Item 512 of Regulation S-K or (ii) that purports to meet the requirements of section 10(a)(3) of the Securities Act and is used in connection with an offering of securities subject to Rule 415, will be filed as a part of an amendment to the registration statement and will not be used until such amendment is effective, and that, for purposes of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.
- i. To respond to requests for information that is incorporated by reference into the prospectus pursuant to Items 4, 10(b), 11, or 13 of this form, within one business day of receipt of such request, and to send the incorporated documents by first-class mail or other equally prompt means. This includes information contained in documents filed subsequent to the effective date of the registration statement through the date of responding to the request.
- j. To supply by means of a post-effective amendment all information concerning a transaction, and the company being acquired involved therein, that was not the subject of and included in the registration statement when it became effective.
- k. Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

Exhibit Number	Description
2.1	Form of Plan of Liquidation and Dissolution (incorporated by reference to Exhibit 2.1 to the Company's Registration Statement on Form S-1 (File No. 333-257655), as amended, filed with the SEC on July 22, 2021).
2.2+	Agreement and Plan of Merger and Reorganization among Rallybio Corporation, Farmington Merger Sub, Inc. and Candid Therapeutics, Inc., dated as of March 1, 2026 (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K (File No. 001-40693), filed with the SEC on March 2, 2026) (included as Annex A to the proxy statement/prospectus)

Table of Contents

Exhibit Number	Description
3.1	<u>Amended and Restated Certificate of Incorporation of Rallybio Corporation (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K (File No. 001-40693), filed with the SEC on August 2, 2021).</u>
3.2	<u>Certificate of Amendment to the Amended and Restated Certificate of Incorporation of Rallybio Corporation (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K (File No. 001-40693), filed with the SEC on January 26, 2026).</u>
3.3	<u>Amended and Restated Bylaws of Rallybio Corporation (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K (File No. 001-40693), filed with the SEC on August 2, 2021).</u>
4.1	<u>Specimen stock certificate evidencing shares of common stock (incorporated by reference to Exhibit 4.1 to the Company's Registration Statement on Form S-1 (File No. 333-257655), as amended, filed with the SEC on July 22, 2021).</u>
4.2	<u>Form of Pre-Funded Warrant (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K (File No. 001-40693), filed with the SEC on November 14, 2022).</u>
4.3	<u>Registration Rights Agreement, dated April 10, 2024, by and between Rallybio Corporation and Johnson & Johnson Innovation - JJDC, Inc. (incorporated by reference to Exhibit 4.1 to the Company's Quarterly Report on Form 10-Q (File No. 001-40693), filed with the SEC on August 8, 2024).</u>
5.1**	Opinion of Ropes & Gray LLP, counsel of Rallybio Corporation
10.1#	<u>Asset Purchase Agreement, by and between Rallybio IPA, LLC and Prophylix AS, dated June 28, 2019 (incorporated by reference to Exhibit 10.1 to the Company's Registration Statement on Form S-1 (File No. 333-257655), filed with the SEC on July 2, 2021).</u>
10.2#	<u>Asset Transfer Agreement, by and between Swedish Orphan Biovitrum AB (PUBL) and IPC Research, LLC, dated March 15, 2019 (incorporated by reference to Exhibit 10.2 to the Company's Registration Statement on Form S-1 (File No. 333-257655), filed with the SEC on July 2, 2021).</u>
10.3#	<u>Product License Agreement, by and between Affibody AB and Swedish Orphan Biovitrum AB (PUBL), dated March 9, 2012, and assigned to IPC Research, LLC on March 15, 2019 (incorporated by reference to Exhibit 10.3 to the Company's Registration Statement on Form S-1 (File No. 333-257655), filed with the SEC on July 2, 2021).</u>
10.4#	<u>Amendment No. 1 to Product License Agreement, by and between Affibody AB and Swedish Orphan Biovitrum AB (PUBL), dated January 1, 2018, and assigned to IPC Research, LLC on March 15, 2019 (incorporated by reference to Exhibit 10.4 to the Company's Registration Statement on Form S-1 (File No. 333-257655), filed with the SEC on July 2, 2021).</u>
10.5#	<u>Amendment No. 2 to Product License Agreement, by and between Affibody AB and IPC Research, LLC, dated December 22, 2020 (incorporated by reference to Exhibit 10.5 to the Company's Registration Statement on Form S-1 (File No. 333-257655), filed with the SEC on July 2, 2021).</u>
10.6#	<u>License Agreement, by and between Rallybio IPE, LLC and Kymab Limited, dated as of May 5, 2022 (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q (File No. 001-40693), filed with the SEC on August 8, 2022).</u>
10.7†	<u>Form of Indemnification Agreement, between the Registrant and each of its directors and executive officers (incorporated by reference to Exhibit 10.7 to the Company's Registration Statement on Form S-1 (File No. 333-257655), as amended, filed with the SEC on July 22, 2021).</u>
10.8†	<u>Rallybio Corporation 2021 Equity Incentive Plan (incorporated by reference to Exhibit 10.12 to the Company's Registration Statement on Form S-1 (File No. 333-257655), as amended, filed with the SEC on July 22, 2021).</u>

Table of Contents

Exhibit Number	Description
10.9†	<u>Form of Non-Qualified Stock Option Award Agreement under the Rallybio Corporation 2021 Equity Incentive Plan (incorporated by reference to Exhibit 10.13 to the Company's Registration Statement on Form S-1 (File No. 333-257655), as amended, filed with the SEC on July 22, 2021).</u>
10.10†	<u>Non-Qualified Stock Option Award Agreement for Non-Employee Directors under the Rallybio Corporation 2021 Equity Incentive Plan (incorporated by reference to Exhibit 10.14 to the Company's Registration Statement on Form S-1 (File No. 333-257655), as amended, filed with the SEC on July 22, 2021).</u>
10.11†	<u>Form of Incentive Stock Option Award Agreement under the Rallybio Corporation 2021 Equity Incentive Plan (incorporated by reference to Exhibit 10.15 to the Company's Registration Statement on Form S-1 (File No. 333-257655), as amended, filed with the SEC on July 22, 2021).</u>
10.12†	<u>Form of Restricted Stock Unit Award Agreement under the Rallybio Corporation 2021 Equity Incentive Plan (incorporated by reference to Exhibit 10.16 to the Company's Registration Statement on Form S-1 (File No. 333-257655), as amended, filed with the SEC on July 22, 2021).</u>
10.13†	<u>Form of Restricted Stock Unit Award Agreement for Non-Employee Directors under the Rallybio Corporation 2021 Equity Incentive Plan (incorporated by reference to Exhibit 10.17 to the Company's Registration Statement on Form S-1 (File No. 333-257655), as amended, filed with the SEC on July 22, 2021).</u>
10.14†	<u>Rallybio Corporation 2021 Cash Incentive Plan (incorporated by reference to Exhibit 10.18 to the Company's Registration Statement on Form S-1 (File No. 333-257655), as amended, filed with the SEC on July 22, 2021).</u>
10.15†	<u>Rallybio Corporation 2021 Employee Stock Purchase Plan (incorporated by reference to Exhibit 10.19 to the Company's Registration Statement on Form S-1 (File No. 333-257655), as amended, filed with the SEC on July 22, 2021).</u>
10.16†*	<u>Proposed 2026 Equity Incentive Plan of Candid Therapeutics, Inc. (included as Annex L to the proxy statement/prospectus and incorporated herein by reference)</u>
10.17†*	<u>Proposed 2026 Employee Stock Purchase Plan of Candid Therapeutics, Inc. (included as Annex M to the proxy statement/prospectus and incorporated herein by reference)</u>
10.18†	<u>Second Amended and Restated Employment Agreement, by and between Rallybio, LLC, Rallybio Corporation and Stephen Uden, dated August 1, 2023 (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q (File No. 001-40693), filed with the SEC on August 8, 2023).</u>
10.19†	<u>Amendment to Second Amended and Restated Employment Agreement, effective as of March 1, 2026, between Rallybio Corporation and Stephen Uden (incorporated by reference to Exhibit 10.6 to the Company's Current Report on Form 8-K (File No. 001-40693), filed with the SEC on March 1, 2026).</u>
10.20†	<u>Employment Agreement between Rallybio Corporation and Jonathan I. Lieber, dated as of February 1, 2023 (incorporated by reference to Exhibit 10.24 to the Company's Annual Report on Form 10-K (File No. 001-40693), filed with the SEC on March 6, 2023).</u>
10.21†	<u>Amendment to Employment Agreement, effective as of March 1, 2026, between Rallybio Corporation and Jonathan Lieber (incorporated by reference to Exhibit 10.7 to the Company's Current Report on Form 8-K (File No. 001-40693), filed with the SEC on March 1, 2026).</u>
10.22†	<u>Employment Agreement, by and between Rallybio, LLC, Rallybio Corporation and Steven Ryder, dated as of June 25, 2025 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (File No. 001-40693), filed with the SEC on June 27, 2025).</u>
10.23†	<u>Amendment to Employment Agreement, effective as of March 1, 2026, between Rallybio Corporation and Steven Ryder (incorporated by reference to Exhibit 10.8 to the Company's Current Report on Form 8-K (File No. 001-40693), filed with the SEC on March 1, 2026).</u>

Table of Contents

Exhibit Number	Description
10.24†	<u>Form of Equity Adjusted Notice (incorporated by reference to Exhibit 10.23 to the Company's Registration Statement on Form S-1 (File No. 333-257655), as amended, filed with the SEC on July 22, 2021).</u>
10.25	<u>Sales Agreement, dated as of August 8, 2022, between Rallybio Corporation and TD Securities (USA) LLC (as successor to Cowen and Company, LLC) (incorporated by reference to Exhibit 1.2 to the Company's Registration Statement on Form S-3 (File No. 333-266668), filed with the SEC on August 8, 2022).</u>
10.26	<u>Amendment No. 1 to Sales Agreement, dated March 13, 2025, by and between Rallybio Corporation and TD Securities (USA) LLC (incorporated by reference to Exhibit 1.1 to the Company's Current Report on Form 8-K (File No. 001-40693), filed with the SEC on March 13, 2025).</u>
10.27#	<u>Membership Interest Purchase Agreement, dated July 8, 2025, by and among Recursion Pharmaceuticals, Inc., Exscientia Ventures I, Inc., Rallybio Corporation and Rallybio IPB, LLC (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q (File No. 001-40693), filed with the SEC on November 6, 2025).</u>
10.28+*	<u>Form of Indemnification Agreement, by and between Candid Therapeutics, Inc. and each of its directors and executive officers.</u>
10.29+*	<u>Candid Therapeutics, Inc. 2024 Equity Incentive Plan, as amended, and Forms of Restricted Stock Award Grant Notice, Stock Option Grant Notice, Early Exercise Stock Purchase Agreement, Option Agreement and Notice of Exercise thereunder.</u>
10.30+*	<u>Form of Common Stock Purchase Agreement, by and between Candid Therapeutics, Inc. and Purchaser.</u>
10.31†+*	<u>Offer Letter Agreement, dated July 1, 2024, by and between Candid Therapeutics, Inc. and Ken Song, M.D.</u>
10.32†+*	<u>Offer Letter Agreement, dated July 12, 2024, by and between Candid Therapeutics, Inc. and Bernie Huyghe, Ph.D.</u>
10.33†+*	<u>Offer Letter Agreement, dated July 17, 2024, by and between Candid Therapeutics, Inc. and Tim Lu, M.D., Ph.D.</u>
10.34†+*	<u>Offer Letter Agreement, dated July 23, 2024, by and between Candid Therapeutics, Inc. and Arvind Kush.</u>
10.35#+*	<u>License Agreement, dated August 2, 2024, by and between Candid Therapeutics, Inc. (as successor in interest to TRC 2004, Inc.) and Genor Biopharma Co Ltd., as amended.</u>
10.36#+*	<u>License and Collaboration Agreement, dated August 5, 2024, by and between the Registrant (as successor in interest to FL2024-005, Inc.) and Shanghai EpimAb Biotherapeutics Co., Ltd.</u>
10.37+*	<u>Office Lease Agreement, dated June 27, 2024, by and between the Registrant and Pacific North Court Holdings, L.P.</u>
10.38#*	<u>License Agreement, dated January 2, 2025, by and between Candid Therapeutics, Inc. and Wuxi Biologics (Shanghai) Co., Ltd.</u>
10.39+*	<u>Form of Subscription Agreement, dated March 1, 2026, by and among Candid Therapeutics, Inc. and the Purchasers party thereto (included as Annex G to the proxy statement/prospectus).</u>
10.40+*	<u>Form of Registration Rights Agreement, by and among Candid Therapeutics, Inc. and the Purchasers party thereto (included as Annex H to the proxy statement/prospectus).</u>
21.1	<u>Subsidiaries of Registrant (incorporated by reference to Exhibit 21.1 to the Company's Annual Report on Form 10-K (File No. 001-40693), filed with the SEC on March 12, 2024).</u>
23.1*	<u>Consent of Deloitte & Touche LLP, independent registered public accounting firm of Rallybio Corporation.</u>

[Table of Contents](#)

Exhibit Number	Description
23.2*	Consent of Deloitte & Touche LLP, independent registered public accounting firm of Candid Therapeutics, Inc.
23.3*	Consent of Deloitte & Touche LLP, independent registered public accounting firm of Vignette Bio, Inc.
23.4*	Consent of Deloitte & Touche LLP, independent registered public accounting firm of TRC 2004, Inc.
23.5**	Consent of Ropes & Gray LLP (included in Exhibit 5.1).
99.1*	Consent of Citizens JMP Securities, LLC.
99.2*	Proposed form of Certificate of Amendment to the Amended and Restated Certificate of Incorporation of Rallybio Corporation to Provide for the Reverse Stock Split (included as Annex I to the proxy statement/prospectus).
99.3*	Proposed form of Certificate of Amendment to the Amended and Restated Certificate of Incorporation of Rallybio Corporation to Provide for the Name Change (included as Annex J to the proxy statement/prospectus).
99.4*	Proposed form of Certificate of Amendment to the Amended and Restated Certificate of Incorporation of Rallybio Corporation to Provide for the Authorized Share Increase (included as Annex K to the proxy statement/prospectus).
101.INS*	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because 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
107*	Filing Fee Table

* Filed herewith.

** To be filed by amendment.

† Indicates management contract or compensatory plan.

Portions of this exhibit (indicated by asterisks) have been redacted because they are both not material and the registrant customarily and actually treats such information as private or confidential.

+ The annexes, schedules and/or certain exhibits to this agreement have been omitted pursuant to Item 601(b)(2) or Item 601(a)(5) of Regulation S-K.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of New Haven, Connecticut, on March 16, 2026.

RALLYBIO CORPORATION

By: /s/ Stephen Uden
 Stephen Uden, M.D.
 Chief Executive Officer

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Stephen Uden and Jonathan I. Lieber, and each of them individually, as his or her true and lawful attorney-in-fact and agent, with full powers of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments to this registration statement (including post-effective amendments and any related registration statements filed pursuant to Rule 462 and otherwise), and to file the same with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent and full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully for all intents and purposes as he or she might or could do in person, hereby ratifying and confirming that said attorney-in-fact and agent, or any substitute or resubstitute, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons on behalf of the Registrant in the capacities and on the dates indicated.

SIGNATURE	TITLE	DATE
<u>/s/ Stephen Uden</u> Stephen Uden, M.D.	Chief Executive Officer, President and Director (<i>Principal Executive Officer</i>)	March 16, 2026
<u>/s/ Jonathan I. Lieber</u> Jonathan I. Lieber	Chief Financial Officer and Treasurer (<i>Principal Accounting and Financial Officer</i>)	March 16, 2026
<u>/s/ Martin W. Mackay</u> Martin W. Mackay, Ph.D.	Chairman	March 16, 2026
<u>/s/ Helen M. Boudreau</u> Helen M. Boudreau	Director	March 16, 2026
<u>/s/ Wendy K. Chung</u> Wendy K Chung, M.D., Ph.D.	Director	March 16, 2026
<u>/s/ Robert Hopfner</u> Robert Hopfner, R.Ph., Ph.D., MBA	Director	March 16, 2026
<u>/s/ Ronald M. Hunt</u> Ronald M. Hunt	Director	March 16, 2026
<u>/s/ Lucian Iancovici</u> Lucian Iancovici, M.D.	Director	March 16, 2026
<u>/s/ Hui Liu</u> Hui Liu, Ph.D.	Director	March 16, 2026
<u>/s/ Christine A. Nash</u> Christine A. Nash, MBA	Director	March 16, 2026
<u>/s/ Paula Soteropoulos</u> Paula Soteropoulos	Director	March 16, 2026

INDEMNIFICATION AGREEMENT

This Indemnification Agreement is dated as of (this “**Agreement**”) and is between **Candid Therapeutics, Inc.**, a Delaware corporation (the “**Company**”), and the undersigned (“**Indemnitee**”).

Background

The Company believes that in order to attract and retain highly competent persons to serve as directors or in other capacities, including as officers, it must provide such persons with adequate protection through indemnification against the risks of claims and actions against them arising out of their services to and activities on behalf of the Company.

The Company desires and has requested Indemnitee to serve as a director and/or officer of the Company and, in order to induce the Indemnitee to serve in such capacity, the Company is willing to grant the Indemnitee the indemnification provided for herein. Indemnitee is willing to so serve on the basis that such indemnification be provided.

The parties by this Agreement desire to set forth their agreement regarding indemnification and the advancement of expenses.

In consideration of Indemnitee’s service to the Company, the covenants and agreements set forth below and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

Section 1. Indemnification.

To the fullest extent permitted by the General Corporation Law of the State of Delaware (the “**DGCL**”):

(a) The Company shall indemnify Indemnitee if Indemnitee was or is made or is threatened to be made a party to, or is otherwise involved in, as a witness or otherwise, any threatened, pending or completed action, suit or proceeding (brought in the right of the Company or otherwise), whether civil, criminal, administrative, regulatory or investigative and whether formal or informal, including appeals, by reason of the fact that Indemnitee is or was or has agreed to serve as a director and/or officer of the Company, or, while serving in such capacity, is or was serving or has agreed to serve at the request of the Company as a director, officer, employee or agent (which, for purposes hereof, shall include a trustee, fiduciary, partner or manager or similar capacity) of another corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise, or by reason of any action alleged to have been taken or omitted in any such capacity, in each case whether or not serving in such capacity at the time any liability or expense is incurred for which indemnification, reimbursement or advancement of expenses can be provided under this Agreement.

(b) The indemnification provided by this Section 1 shall be from and against all loss and liability suffered and expenses (including attorneys’ fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by or on behalf of Indemnitee in connection with such action, suit or proceeding, including any appeals.

(c) If Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for a portion of any expenses, losses, liabilities, judgments, fines and amounts paid in settlement incurred by Indemnitee, but not for the total amount thereof, the Company shall nevertheless indemnify Indemnitee for such portion.

Section 2. Advance Payment of Expenses. To the fullest extent permitted by the DGCL, expenses (including attorneys' fees) incurred by Indemnitee in appearing at, participating in or defending any action, suit or proceeding or in connection with an enforcement action as contemplated by Section 3(e), shall be paid by the Company in advance of the final disposition of such action, suit or proceeding within 30 days after receipt by the Company of a statement or statements from Indemnitee requesting such advance or advances (including any invoices received by Indemnitee, which invoices may be redacted as necessary to avoid the waiver of any privilege accorded by applicable law) from time to time. The Indemnitee hereby undertakes to repay any amounts advanced (without interest) to the extent that it is ultimately determined that Indemnitee is not entitled under this Agreement to be indemnified by the Company in respect thereof. Such repayment obligation shall be unsecured and shall not bear interest. The Company shall not impose on Indemnitee additional conditions to advancement or require from Indemnitee additional undertakings regarding repayment other than the execution of this Agreement. The Company agrees that for the purposes of any advancement of expenses for which Indemnitee has made a written demand in accordance with this Agreement, all expenses included in such demand that are certified by affidavit of Indemnitee's counsel as being reasonable shall be presumed conclusively to be reasonable. This Section 2 shall be subject to Section 3(b) and shall not apply to any claim made by Indemnitee for which indemnity is excluded pursuant to Section 6 and Section 7.

Section 3. Procedure for Indemnification; Notification and Defense of Claim.

(a) Promptly after receipt by Indemnitee of notice of the commencement of any action, suit or proceeding, Indemnitee shall, if a claim in respect thereof is to be made against the Company hereunder, notify the Company in writing of the commencement thereof. The failure to promptly notify the Company of the commencement of the action, suit or proceeding, or of Indemnitee's request for indemnification, will not relieve the Company from any liability that it may have to Indemnitee hereunder, except to the extent the Company is actually and materially prejudiced in its defense of such action, suit or proceeding as a result of such failure. To obtain indemnification under this Agreement, Indemnitee shall submit to the Company a written request therefor including such documentation and information as is reasonably available to Indemnitee and is reasonably necessary to enable the Company to determine whether and to what extent Indemnitee is entitled to indemnification.

(b) With respect to any action, suit or proceeding of which the Company is so notified as provided in this Agreement, the Company shall, subject to the last two sentences of this paragraph, be entitled to assume the defense of such action, suit or proceeding, with counsel reasonably acceptable to Indemnitee, upon the delivery to Indemnitee of written notice of its election to do so. After delivery of such notice, approval of such counsel by Indemnitee and the retention of such counsel by the Company, the Company will not be liable to Indemnitee under this Agreement for any subsequently-incurred fees of separate counsel engaged by Indemnitee with respect to the same action, suit or proceeding unless the employment of separate counsel by Indemnitee has been previously authorized in writing by the Company. Notwithstanding the foregoing, if Indemnitee, based on the advice of his or her counsel, shall have reasonably concluded (with written notice being given to the Company setting forth the basis for such conclusion) that, in the conduct of any such defense, there is or is reasonably likely to be a conflict of interest or position between the Company and Indemnitee with respect to a significant issue, then the Company will not be entitled, without the written consent of Indemnitee, to assume such defense. In addition, the Company will not be entitled, without the written consent of Indemnitee, to assume the defense of any claim brought by or in the right of the Company.

(c) To the fullest extent permitted by the DGCL, the Company's assumption of the defense of an action, suit or proceeding in accordance with paragraph 3(b) will constitute an irrevocable acknowledgement by the Company that any loss and liability suffered by Indemnitee and expenses (including attorneys' fees), judgments, fines and amounts paid in settlement by or for the account of Indemnitee incurred in connection therewith are indemnifiable by the Company under Section 1 of this Agreement.

(d) The determination whether to grant Indemnitee's indemnification request shall be made promptly and in any event within 30 days following the Company's receipt of a request for indemnification in accordance with Section 3(a). If the Company determines that Indemnitee is entitled to such indemnification or, as contemplated by paragraph 3(c) the Company has acknowledged such entitlement, the Company will make payment to Indemnitee of the indemnifiable amount within such 30 day period. If the Company is not deemed to have so acknowledged such entitlement or the Company's determination of whether to grant Indemnitee's indemnification request shall not have been made within such 30 day period, the requisite determination of entitlement to indemnification shall, subject to Section 6, nonetheless be deemed to have been made and Indemnitee shall be entitled to such indemnification, absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification, or (ii) a prohibition of such indemnification under the DGCL.

(e) In the event that (i) the Company determines in accordance with this Section 3 that Indemnitee is not entitled to indemnification, in whole or in part, under this Agreement, (ii) the Company fails to respond or make a determination of entitlement to indemnification within 30 days following receipt of a request for indemnification as described above, (iii) payment of indemnification is not made within such 30 day period, (iv) advancement of expenses is not timely made in accordance with Section 2, or (v) the Company or any other person takes or threatens to take any action to declare this Agreement void or unenforceable, or institutes any litigation or other action or proceeding designed to deny, or to recover from, the Indemnitee the benefits provided or intended to be provided to Indemnitee hereunder, Indemnitee shall be entitled to an adjudication in any court of competent jurisdiction of his or her entitlement to such indemnification or advancement of expenses. Indemnitee's expenses (including attorneys' fees) incurred in connection with successfully establishing Indemnitee's right to indemnification or advancement of expenses, in whole or in part, in any such proceeding or otherwise shall also be indemnified by the Company to the fullest extent permitted by the DGCL.

(f) Indemnitee shall be presumed to be entitled to indemnification and advancement of expenses under this Agreement upon submission of a request therefor in accordance with Section 2 or Section 3 of this Agreement, as the case may be. The Company shall have the burden of proof in overcoming such presumption, and such presumption shall be used as a basis for a determination of entitlement to indemnification and advancement of expenses unless the Company overcomes such presumption by clear and convincing evidence.

Section 4. Insurance and Subrogation.

(a) The Company may purchase and maintain a policy or policies of insurance, providing Indemnitee with coverage for any liability asserted against, and incurred by, Indemnitee or on Indemnitee's behalf by reason of the fact that Indemnitee is or was or has agreed to serve as a director and/or officer of the Company, or, while serving in such capacity, is or was serving or has agreed to serve at the request of the Company as a director, officer, employee or agent (which, for purposes hereof, shall include a trustee, fiduciary, partner or manager or similar capacity) of another corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise, or arising out of Indemnitee's status as such, whether or not the Company would have the power to indemnify Indemnitee against such liability under the provisions of this Agreement. If the Company has such insurance in effect at the time the Company receives from Indemnitee any notice of the commencement of an action, suit or proceeding, the Company shall give prompt notice of the commencement of such action, suit or proceeding to the insurers in accordance with the procedures set forth in the policy. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of Indemnitee, all amounts payable as a result of such proceeding in accordance with the terms of such policy.

(b) In the event of any payment by the Company under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee with respect to any insurance policy. Indemnitee shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights in accordance with the terms of such insurance policy. The Company shall pay or reimburse all expenses actually and reasonably incurred by Indemnitee in connection with such subrogation.

(c) The Company shall not be liable under this Agreement to make any payment of amounts otherwise indemnifiable hereunder (including, but not limited to, judgments, fines and amounts paid in settlement) if and to the extent that Indemnitee has otherwise actually received such payment under this Agreement or any insurance policy, contract, agreement or otherwise.

(d) [To be included if applicable:] The Company hereby acknowledges that Indemnatee has certain rights to indemnification, advancement of expenses and/or insurance provided by [Name of Fund/Sponsor] and certain of [its][their] affiliates (collectively, the “**Fund Indemnitors**”). The Company hereby agrees (i) that it is the indemnitor of first resort (i.e., its obligations to Indemnatee are primary and any obligation of the Fund Indemnitors to advance expenses or to provide indemnification for the same expenses or liabilities incurred by Indemnatee are secondary), (ii) that it shall be required to advance the full amount of expenses incurred by Indemnatee and shall be liable for the full amount of all expenses, judgments, penalties, fines and amounts paid in settlement to the extent legally permitted and as required by the terms of this Agreement and the Certificate of Incorporation or Bylaws (or any other agreement between the Company and Indemnatee), without regard to any rights Indemnatee may have against the Fund Indemnitors, and (iii) that it irrevocably waives, relinquishes and releases the Fund Indemnitors from any and all claims against the Fund Indemnitors for contribution, subrogation or any other recovery of any kind in respect thereof. The Company further agrees that no advancement or payment by the Fund Indemnitors on behalf of Indemnatee with respect to any claim for which Indemnatee has sought indemnification from the Company shall affect the foregoing and the Fund Indemnitors shall have a right of contribution and/or be subrogated to the extent of such advancement or payment to all of the rights of recovery of Indemnatee against the Company. The Company and Indemnatee agree that the Fund Indemnitors are express third party beneficiaries of the terms of this Section 4(d).

Section 5. Certain Definitions. For purposes of this Agreement, the following definitions shall apply:

(a) The term “**action, suit or proceeding**” shall be broadly construed and shall include, without limitation, the investigation, preparation, prosecution, defense, settlement, arbitration and appeal of, and the giving of testimony in, any threatened, pending or completed claim, action, suit, arbitration, alternative dispute mechanism or proceeding, whether civil, criminal, administrative or investigative.

(b) The term “**by reason of the fact that Indemnatee is or was or has agreed to serve as a director and/or officer of the Company, or, while serving in such capacity, is or was serving or has agreed to serve at the request of the Company as a director, officer, employee or agent (which, for purposes hereof, shall include a trustee, partner or manager or similar capacity) of another corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise**” shall be broadly construed and shall include, without limitation, any actual or alleged act or omission to act.

(c) The term “**expenses**” shall be broadly construed and shall include, without limitation, all direct and indirect costs of any type or nature whatsoever (including, without limitation, all attorneys’ fees and related disbursements, appeal bonds, other out-of-pocket costs and reasonable compensation for time spent by Indemnatee for which Indemnatee is not otherwise compensated by the Company or any third party), actually and reasonably incurred by Indemnatee in connection with either the investigation, defense or appeal of an action, suit or proceeding or establishing or enforcing a right to indemnification under this Agreement or otherwise incurred in connection with a claim that is indemnifiable hereunder.

(d) The term “**judgments, fines and amounts paid in settlement**” shall be broadly construed and shall include, without limitation, all direct and indirect payments of any type or nature whatsoever, as well as any penalties or excise taxes assessed on a person with respect to an employee benefit plan).

Section 6. Limitation on Indemnification. Notwithstanding any other provision herein to the contrary, the Company shall not be obligated pursuant to this Agreement:

(a) **Claims Initiated by Indemnatee.** To indemnify or advance expenses to Indemnatee with respect to an action, suit or proceeding (or part thereof), however denominated, initiated by Indemnatee, except with respect to an action, suit or proceeding brought to establish or enforce a right to indemnification or advancement of expenses under this Agreement (which shall be governed by the provisions of Section 6(b) of this Agreement), unless such action, suit or proceeding (or part thereof) was authorized or consented to by the Board of Directors of the Company (the “**Board**”).

(b) **Action for Indemnification.** To indemnify Indemnitee for any expenses incurred by Indemnitee with respect to any action, suit or proceeding instituted by Indemnitee to enforce or interpret this Agreement, unless Indemnitee is successful in such action, suit or proceeding in establishing Indemnitee's right, in whole or in part, to indemnification or advancement of expenses hereunder (in which case such indemnification or advancement shall be to the fullest extent permitted by the DGCL), or unless and to the extent that the court in such action, suit or proceeding shall determine that, despite Indemnitee's failure to establish their right to indemnification, Indemnitee is entitled to indemnification for such expenses; provided, however, that nothing in this Section 6(b) is intended to limit the Company's obligations with respect to the advancement of expenses to Indemnitee in connection with any such action, suit or proceeding instituted by Indemnitee to enforce or interpret this Agreement, as provided in Section 2 hereof.

(c) **Certain Exchange Act Claims.** To indemnify Indemnitee in connection with any action, suit or proceeding made against Indemnitee for (i) an accounting of profits made from the purchase and sale (or sale and purchase) by Indemnitee of securities of the Company within the meaning of Section 16(b) of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**") or similar provisions of state statutory law or common law, (ii) any reimbursement of the Company by the Indemnitee of any bonus or other incentive-based or equity-based compensation or of any profits realized by the Indemnitee from the sale of securities of the Company, as required in each case under the Exchange Act (including any such reimbursements that arise from an accounting restatement of the Company pursuant to Section 304 of the Sarbanes-Oxley Act of 2002 (the "**Sarbanes-Oxley Act**"), or the payment to the Company of profits arising from the purchase and sale by Indemnitee of securities in violation of Section 306 of the Sarbanes-Oxley Act) or (iii) any reimbursement of the Company by Indemnitee of any compensation pursuant to any compensation recoupment or clawback policy adopted by the Board or the compensation committee of the Board, including but not limited to any such policy adopted to comply with stock exchange listing requirements implementing Section 10D of the Exchange Act.

(d) **Fraud or Willful Misconduct.** To indemnify Indemnitee on account of conduct by Indemnitee where such conduct has been determined by a final (not interlocutory) judgment or other adjudication of a court or arbitration or administrative body of competent jurisdiction as to which there is no further right or option of appeal or the time within which an appeal must be filed has expired without such filing to have been knowingly fraudulent or constitute willful misconduct.

(e) **Prohibited by Law.** To indemnify Indemnitee in any circumstance where such indemnification has been determined by a final (not interlocutory) judgment or other adjudication of a court or arbitration or administrative body of competent jurisdiction as to which there is no further right or option of appeal, or the time within which an appeal must be filed has expired without such filing having been made, to be prohibited by law.

Section 7. Certain Settlement Provisions. The Company shall have no obligation to indemnify Indemnitee under this Agreement for any amounts paid in settlement of any action, suit or proceeding without the Company's prior written consent. The Company shall not settle any action, suit or proceeding in any manner that would impose any fine or other obligation on Indemnitee without Indemnitee's prior written consent. Neither the Company nor Indemnitee will unreasonably withhold his, her, its or their consent to any proposed settlement.

Section 8. Savings Clause. If any provision or provisions (or portion thereof) of this Agreement shall be invalidated on any ground by any court of competent jurisdiction, then the Company shall nevertheless indemnify Indemnitee if Indemnitee was or is made or is threatened to be made a party or is otherwise involved in any threatened, pending or completed action, suit or proceeding (brought in the right of the Company or otherwise), whether civil, criminal, administrative or investigative and whether formal or informal, including appeals, by reason of the fact that Indemnitee is or was or has agreed to serve as a director and/or officer of the Company, or, while serving in such capacity, is or was serving or has agreed to serve at the request of the Company as a director, officer, employee or agent (which, for purposes hereof, shall include a trustee, partner or manager or similar capacity) of another corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise, or by reason of any action alleged to have been taken or omitted in such capacity, from and against all loss and liability suffered and expenses (including attorneys' fees), judgments, fines and amounts paid in settlement reasonably incurred by or on behalf of Indemnitee in connection with such action, suit or proceeding, including any appeals, to the fullest extent permitted by any applicable portion of this Agreement that shall not have been invalidated.

Section 9. Contribution. In order to provide for just and equitable contribution in circumstances in which the indemnification provided for herein is held by a court of competent jurisdiction to be unavailable to Indemnitee in whole or in part, it is agreed that, in such event, the Company shall, to the fullest extent permitted by law, contribute to the payment of all of Indemnitee's loss and liability suffered and expenses (including attorneys' fees), judgments, fines and amounts paid in settlement reasonably incurred by or on behalf of Indemnitee in connection with any action, suit or proceeding, including any appeals, in an amount that is just and equitable in the circumstances; provided that, without limiting the generality of the foregoing, such contribution shall not be required where such holding by the court is due to any limitation on indemnification set forth in Section 4(c), 6 (other than clause (e)) or 7 hereof.

Section 10. Form and Delivery of Communications. All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed to have been duly given if (a) delivered by hand, upon receipt by the party to whom said notice or other communication shall have been directed, (b) mailed by certified or registered mail with postage prepaid, on the third business day after the date on which it is so mailed, (c) mailed by reputable overnight courier, one day after deposit with such courier and with written verification of receipt, or (d) sent by email or facsimile transmission, with receipt of oral confirmation that such transmission has been received. Notice to the Company shall be directed to Candid Therapeutics, Inc., 11622 El Camino Real, Suite 150, San Diego, CA 92130, Attention: Jeff Woodley, email: legal@candidrx.com. Notice to Indemnitee shall be directed to the information listed below Indemnitee's signature.

Section 11. Nonexclusivity. The provisions for indemnification and advancement of expenses set forth in this Agreement shall not be deemed exclusive of any other rights which Indemnitee may have under any provision of law, in any court in which a proceeding is brought, the Company's certificate of incorporation or by-laws, other agreements or otherwise, and Indemnitee's rights hereunder shall inure to the benefit of the heirs, executors and administrators of Indemnitee. No amendment or alteration of the Company's certificate of incorporation or by-laws or any other agreement shall adversely affect the rights provided to Indemnitee under this Agreement.

Section 12. No Construction as Employment Agreement. Nothing contained herein shall be construed as giving Indemnitee any right to be retained as a director of the Company or in the employ of the Company. For the avoidance of doubt, the indemnification and advancement of expenses provided under this Agreement shall continue as to the Indemnitee even though Indemnitee may have ceased to be a director or officer of the Company.

Section 13. Interpretation of Agreement. It is understood that the parties hereto intend this Agreement to be interpreted and enforced so as to provide indemnification to Indemnitee to the fullest extent now or hereafter permitted by the DGCL.

Section 14. Entire Agreement. This Agreement and the documents expressly referred to herein constitute the entire agreement between the parties hereto with respect to the matters covered hereby, and any other prior or contemporaneous oral or written understandings or agreements with respect to the matters covered hereby are expressly superseded by this Agreement.

Section 15. Modification and Waiver. No supplement, modification, waiver or amendment of this Agreement shall be binding unless executed in writing by both of the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision hereof (whether or not similar) nor shall such waiver constitute a continuing waiver. For the avoidance of doubt, this Agreement may not be terminated by the Company without Indemnitee's prior written consent.

Section 16. Successor and Assigns. All of the terms and provisions of this Agreement shall be binding upon, shall inure to the benefit of and shall be enforceable by the parties hereto and their respective successors, assigns, heirs, executors, administrators and legal representatives. The Company shall require and cause any direct or indirect successor (whether by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company, by written agreement in form and substance reasonably satisfactory to Indemnitee, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place.

Section 17. Service of Process and Venue. The Company and Indemnitee hereby irrevocably and unconditionally (a) agree that any action or proceeding arising out of or in connection with this Agreement shall be brought only in the Chancery Court of the State of Delaware (the “**Delaware Court**”), and not in any other state or federal court in the United States of America or any court in any other country, (b) consent to submit to the exclusive jurisdiction of the Delaware Court for purposes of any action or proceeding arising out of or in connection with this Agreement, (c) appoint, to the extent such party is not otherwise subject to service of process in the State of Delaware, irrevocably The Corporation Trust Company, 1209 Orange Street in the City of Wilmington, County of New Castle, 19801 as its agent in the State of Delaware as such party’s agent for acceptance of legal process in connection with any such action or proceeding against such party with the same legal force and validity as if served upon such party personally within the State of Delaware, (d) waive any objection to the laying of venue of any such action or proceeding in the Delaware Court, and (e) waive, and agree not to plead or to make, any claim that any such action or proceeding brought in the Delaware Court has been brought in an improper or inconvenient forum.

Section 18. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware. If a court of competent jurisdiction shall make a final determination that the provisions of the law of any state other than Delaware govern indemnification by the Company of Indemnitee, then the indemnification provided under this Agreement shall in all instances be enforceable to the fullest extent permitted under such law, notwithstanding any provision of this Agreement to the contrary.

Section 19. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument, notwithstanding that both parties are not signatories to the original or same counterpart.

Section 20. Headings and Section References. The section and subsection headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. Section references are to this Agreement unless otherwise specified.

This Indemnification Agreement has been duly executed and delivered to be effective as of the date stated above.

Candid Therapeutics, Inc.

By _____
Name:
Title:

INDEMNITEE:

Name:
Address:
Email:

CANDID THERAPEUTICS, INC.

2024 EQUITY INCENTIVE PLAN

ADOPTED BY THE BOARD OF DIRECTORS: May 1, 2024
APPROVED BY THE STOCKHOLDERS: May 1, 2024
AMENDED BY THE BOARD OF DIRECTORS: June 1, 2024
APPROVED BY THE STOCKHOLDERS: June 1, 2024
AMENDED BY THE BOARD OF DIRECTORS: August 19, 2024
APPROVED BY THE STOCKHOLDERS: August 19, 2024
TERMINATION DATE: May 1, 2034

1. General.

(a) Eligible Stock Award Recipients. Employees, Directors and Consultants are eligible to receive Stock Awards.

(b) Available Stock Awards. The Plan provides for the grant of the following types of Stock Awards: (i) Incentive Stock Options, (ii) Nonstatutory Stock Options, (iii) Stock Appreciation Rights, (iv) Restricted Stock Awards, (v) Restricted Stock Unit Awards and (vi) Other Stock Awards.

(c) Purpose. The Plan, through the grant of Stock Awards, is intended to help the Company secure and retain the services of eligible award recipients, provide incentives for such persons to exert maximum efforts for the success of the Company and any Affiliate and provide a means by which the eligible recipients may benefit from increases in value of the Common Stock.

2. Administration.

(a) Administration by the Board. The Board will administer the Plan. The Board may delegate administration of the Plan to a Committee or Committees, as provided in Section 2(c).

(b) Powers of the Board. The Board will have the power, subject to, and within the limitations of, the express provisions of the Plan:

(i) To determine (A) who will be granted Stock Awards; (B) when and how each Stock Award will be granted; (C) what type of Stock Award will be granted; (D) the provisions of each Stock Award (which need not be identical), including when a person will be permitted to exercise or otherwise receive cash or Common Stock under the Stock Award; (E) the number of shares of Common Stock subject to, or the cash value of, a Stock Award; and (F) the Fair Market Value applicable to a Stock Award.

(ii) To construe and interpret the Plan and Stock Awards granted under it, and to establish, amend and revoke rules and regulations for administration of the Plan and Stock Awards. The Board, in the exercise of these powers, may correct any defect, omission or inconsistency in the Plan or in any Stock Award Agreement, in a manner and to the extent it will deem necessary or expedient to make the Plan or Stock Award fully effective.

(iii) To settle all controversies regarding the Plan and Stock Awards granted under it.

(iv) To accelerate, in whole or in part, the time at which a Stock Award may be exercised or vest (or the time at which cash or shares of Common Stock may be issued in settlement thereof).

(v) To suspend or terminate the Plan at any time. Except as otherwise provided in the Plan or a Stock Award Agreement, suspension or termination of the Plan will not impair a Participant's rights under the Participant's then-outstanding Stock Award without the Participant's written consent except as provided in subsection (viii) below.

(vi) To amend the Plan in any respect the Board deems necessary or advisable, including, without limitation, by adopting amendments relating to Incentive Stock Options and certain nonqualified deferred compensation under Section 409A of the Code and/or bringing the Plan or Stock Awards granted under the Plan into compliance with the requirements for Incentive Stock Options or ensuring that they are exempt from, or compliant with, the requirements for nonqualified deferred compensation under Section 409A of the Code, subject to the limitations, if any, of applicable law. If required by applicable law or listing requirements, and except as provided in Section 9(a) relating to Capitalization Adjustments, the Company will seek stockholder approval of any amendment of the Plan that (A) materially increases the number of shares of Common Stock available for issuance under the Plan, (B) materially expands the class of individuals eligible to receive Stock Awards under the Plan, (C) materially increases the benefits accruing to Participants under the Plan, (D) materially reduces the price at which shares of Common Stock may be issued or purchased under the Plan, (E) materially extends the term of the Plan, or (F) materially expands the types of Stock Awards available for issuance under the Plan. Except as otherwise provided in the Plan or a Stock Award Agreement, no amendment of the Plan will materially impair a Participant's rights under an outstanding Stock Award without the Participant's written consent.

(vii) To submit any amendment to the Plan for stockholder approval, including, but not limited to, amendments to the Plan intended to satisfy the requirements of Section 422 of the Code regarding Incentive Stock Options.

(viii) To approve forms of Stock Award Agreements for use under the Plan and to amend the terms of any one or more Stock Awards, including, but not limited to, amendments to provide terms more favorable to the Participant than previously provided in the Stock Award Agreement, subject to any specified limits in the Plan that are not subject to Board discretion; *provided however*, that a Participant's rights under any Stock Award will not be impaired by any such amendment unless (A) the Company requests the consent of the affected Participant, and (B) such Participant consents in writing. Notwithstanding the foregoing, (1) a Participant's rights will not be deemed to have been impaired by any such amendment if the Board, in its sole discretion, determines that the amendment, taken as a whole, does not materially impair the Participant's rights, and (2) subject to the limitations of applicable law, if any, the Board may amend the terms of any one or more Stock Awards without the affected Participant's consent (A) to maintain the qualified status of the Stock Award as an Incentive Stock Option under Section 422 of the Code; (B) to change the terms of an Incentive Stock Option, if such change results in impairment of the Stock Award solely because it impairs the qualified status of the Stock Award as an Incentive Stock Option under Section 422 of the Code; (C) to clarify the manner of exemption from, or to bring the Stock Award into compliance with, Section 409A of the Code; or (D) to comply with other applicable laws.

(ix) Generally, to exercise such powers and to perform such acts as the Board deems necessary or expedient to promote the best interests of the Company and that are not in conflict with the provisions of the Plan or Stock Awards.

(x) To adopt such procedures and sub-plans as are necessary or appropriate to permit participation in the Plan by Employees, Directors or Consultants who are foreign nationals or employed outside the United States (provided that Board approval will not be necessary for immaterial modifications to the Plan or any Stock Award Agreement that are required for compliance with the laws of the relevant foreign jurisdiction).

(xi) To effect, with the consent of any adversely affected Participant, (A) the reduction of the exercise, purchase or strike price of any outstanding Stock Award; (B) the cancellation of any outstanding Stock Award and the grant in substitution thereof of a new (1) Option or SAR, (2) Restricted Stock Award, (3) Restricted Stock Unit Award, (4) Other Stock Award, (5) cash and/or (6) other valuable consideration determined by the Board, in its sole discretion, with any such substituted award (x) covering the same or a different number of shares of Common Stock as the cancelled Stock Award and (y) granted under the Plan or another equity or compensatory plan of the Company; or (C) any other action that is treated as a repricing under generally accepted accounting principles.

(c) **Delegation to Committee.** The Board may delegate some or all of the administration of the Plan to a Committee or Committees. If administration of the Plan is delegated to a Committee, the Committee will have, in connection with the administration of the Plan, the powers theretofore possessed by the Board that have been delegated to the Committee, including the power to delegate to a subcommittee of the Committee any of the administrative powers the Committee is authorized to exercise (and references in this Plan to the Board will thereafter be to the Committee or subcommittee, as applicable). Any delegation of administrative powers will be reflected in resolutions, not inconsistent with the provisions of the Plan, adopted from time to time by the Board or Committee (as applicable). The Board may retain the authority to concurrently administer the Plan with the Committee and may, at any time, revert in the Board some or all of the powers previously delegated.

(d) **Delegation to Other Person or Body.** The Board may delegate to one or more persons or bodies, in addition to the Board, the authority to do one or both of the following: (i) designate recipients of Options and SARs (and, to the extent permitted by applicable law, other Stock Awards) and, to the extent permitted by applicable law, the terms of such Stock Awards, and (ii) determine the number of shares of Common Stock to be subject to such Stock Awards granted to such recipients; *provided, however*, that the Board resolutions regarding such delegation will fix the terms of such delegation in accordance with applicable law, including without limitation Sections 152 and/or 157 of the Delaware General Corporation Law, and *provided* that no Board resolution may permit a person or body to grant a Stock Award to such person or body. Any such Stock Awards will be granted on the form of Stock Award Agreement most recently approved for use by the Committee or the Board, unless otherwise provided in the resolutions approving the delegation authority. The Board may not delegate authority to determine the Fair Market Value pursuant to Section 13(t) below to any person or body, except that the Board may delegate such authority to a Committee or Committees of the Board in accordance with Section 2(c) above.

(e) **Effect of Board's Decision.** All determinations, interpretations and constructions made by the Board in good faith will not be subject to review by any person and will be final, binding and conclusive on all persons.

3. Shares Subject to the Plan.

(a) Share Reserve.

(i) Subject to Section 9(a) relating to Capitalization Adjustments, the aggregate number of shares of Common Stock that may be issued pursuant to Stock Awards from and after the Effective Date will not exceed 200,000 shares (the “**Share Reserve**”).

(ii) For clarity, the Share Reserve in this Section 3(a) is a limitation on the number of shares of Common Stock that may be issued pursuant to the Plan. Accordingly, this Section 3(a) does not limit the granting of Stock Awards except as provided in Section 7(a).

(b) Reversion of Shares to the Share Reserve. If a Stock Award or any portion thereof (i) expires or otherwise terminates without all of the shares covered by such Stock Award having been issued or (ii) is settled in cash (*i.e.*, the Participant receives cash rather than stock), such expiration, termination or settlement will not reduce (or otherwise offset) the number of shares of Common Stock that may be available for issuance under the Plan. If any shares of Common Stock issued pursuant to a Stock Award are forfeited back to or repurchased by the Company because of the failure to meet a contingency or condition required to vest such shares in the Participant, then the shares that are forfeited or repurchased will revert to and again become available for issuance under the Plan. Any shares reacquired by the Company in satisfaction of tax withholding obligations on a Stock Award or as consideration for the exercise or purchase price of a Stock Award will again become available for issuance under the Plan.

(c) Incentive Stock Option Limit. Subject to the Share Reserve and Section 9(a) relating to Capitalization Adjustments, the aggregate maximum number of shares of Common Stock that may be issued pursuant to the exercise of Incentive Stock Options will be a number of shares of Common Stock equal to three multiplied by the Share Reserve.

(d) Source of Shares. The stock issuable under the Plan will be shares of authorized but unissued or reacquired Common Stock, including shares repurchased by the Company on the open market or otherwise.

4. Eligibility.

(a) Eligibility for Specific Stock Awards. Incentive Stock Options may be granted only to employees of the Company or a “parent corporation” or “subsidiary corporation” thereof (as such terms are defined in Sections 424(e) and 424(f) of the Code). Stock Awards other than Incentive Stock Options may be granted to Employees, Directors and Consultants; *provided, however*, that Stock Awards may not be granted to Employees, Directors and Consultants who are providing Continuous Service only to any “parent” of the Company, as such term is defined in Rule 405, unless (i) the stock underlying such Stock Awards is treated as “service recipient stock” under Section 409A of the Code (for example, because the Stock Awards are granted pursuant to a corporate transaction such as a spin off transaction), (ii) the Company, in consultation with its legal counsel, has determined that such Stock Awards are otherwise exempt from Section 409A of the Code, or (iii) the Company, in consultation with its legal counsel, has determined that such Stock Awards comply with the distribution requirements of Section 409A of the Code.

(b) Ten Percent Stockholders. A Ten Percent Stockholder will not be granted an Incentive Stock Option unless the exercise price of such Option is at least 110% of the Fair Market Value on the date of grant and the Option is not exercisable after the expiration of five years from the date of grant.

(c) Consultants. A Consultant will not be eligible for the grant of a Stock Award if, at the time of grant, either the offer or sale of the Company’s securities to such Consultant is not exempt under Rule 701 because of the nature of the services that the Consultant is providing to the Company, because the Consultant is not a natural person, or because of any other provision of Rule 701, unless the Company determines that such grant need not comply with the requirements of Rule 701 and will satisfy another exemption under the Securities Act as well as comply with the securities laws of all other relevant jurisdictions.

5. Provisions Relating to Options and Stock Appreciation Rights.

Each Option or SAR will be in such form and will contain such terms and conditions as the Board deems appropriate. All Options will be separately designated Incentive Stock Options or Nonstatutory Stock Options at the time of grant, and, if certificates are issued, a separate certificate or certificates will be issued for shares of Common Stock purchased on exercise of each type of Option. If an Option is not specifically designated as an Incentive Stock Option, or if an Option is designated as an Incentive Stock Option but some portion or all of the Option fails to qualify as an Incentive Stock Option under the applicable rules, then the Option (or portion thereof) will be a Nonstatutory Stock Option. The provisions of separate Options or SARs need not be identical; *provided, however*, that each Stock Award Agreement will conform to (through incorporation of provisions hereof by reference in the applicable Stock Award Agreement or otherwise) the substance of each of the following provisions:

(a) Term. Subject to the provisions of Section 4(b) regarding Ten Percent Stockholders, no Option or SAR will be exercisable after the expiration of 10 years from the date of its grant or such shorter period specified in the Stock Award Agreement.

(b) Exercise Price. Subject to the provisions of Section 4(b) regarding Ten Percent Stockholders, the exercise or strike price of each Option or SAR will be not less than 100% of the Fair Market Value of the Common Stock subject to the Option or SAR on the date the Stock Award is granted. Notwithstanding the foregoing, an Option or SAR may be granted with an exercise or strike price lower than 100% of the Fair Market Value of the Common Stock subject to the Stock Award if such Stock Award is granted pursuant to an assumption of or substitution for another option or stock appreciation right pursuant to a Corporate Transaction and in a manner consistent with the provisions of Section 409A of the Code and, if applicable, Section 424(a) of the Code. Each SAR will be denominated in shares of Common Stock equivalents.

(c) Purchase Price for Options. The purchase price of Common Stock acquired pursuant to the exercise of an Option may be paid, to the extent permitted by applicable law and as determined by the Board in its sole discretion, by any combination of the methods of payment set forth below. The Board will have the authority to grant Options that do not permit all of the following methods of payment (or otherwise restrict the ability to use certain methods) and to grant Options that require the consent of the Company to use a particular method of payment. The permitted methods of payment are as follows:

(i) by cash, check, bank draft, electronic funds transfer or money order payable to the Company;

(ii) subject to Company and/or Board consent at the time of exercise and provided that at the time of exercise the Common Stock is publicly traded, pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board that, prior to the issuance of Common Stock, results in either the receipt of cash (or check) by the Company or the receipt of irrevocable instructions to pay the aggregate exercise price to the Company from the sales proceeds. This manner of payment is also known as a “broker-assisted exercise”, “same day sale”, or “sell to cover”;

(iii) subject to Company and/or Board consent at the time of exercise and provided that at the time of exercise the Common Stock is publicly traded, by delivery to the Company (either by actual delivery or attestation) of already-owned shares of Common Stock that are owned free and clear of any liens, claims, encumbrances or security interests, and that are valued at Fair Market Value on the date of exercise. "Delivery" for these purposes, in the sole discretion of the Company and/or the Board, at the time Participant exercises their Option, will include delivery to the Company of Participant's attestation of ownership of such shares of Common Stock in a form approved by the Company. Participant may not exercise their option by delivery to the Company of Common Stock if doing so would violate the provisions of any law, regulation or agreement restricting the redemption of the Company's stock;

(iv) subject to Company and/or Board consent at the time of exercise, and provided that the Option is a Nonstatutory Stock Option, by a "net exercise" arrangement pursuant to which the Company will reduce the number of shares of Common Stock issued upon exercise of the Option by the largest whole number of shares with a Fair Market Value that does not exceed the aggregate exercise price plus, to the extent permitted by the Company and/or Board at the time of exercise, the aggregate withholding obligations in respect of the Option exercise; provided, further that Participant must pay any remaining balance of the aggregate exercise price not satisfied by the "net exercise" in cash or other permitted form of payment. Shares of Common Stock will no longer be subject to the Option and will not be exercisable thereafter to the extent that (A) shares issuable upon exercise are used to pay the exercise price pursuant to the "net exercise," (B) shares are delivered to the Participant as a result of such exercise, and (C) shares are withheld to satisfy tax withholding obligations;

(v) according to a deferred payment or similar arrangement with the Optionholder; *provided, however*, that interest will compound at least annually and will be charged at the minimum rate of interest necessary to avoid (A) the imputation of interest income to the Company and compensation income to the Optionholder under any applicable provisions of the Code, and (B) the classification of the Option as a liability for financial accounting purposes; or

(vi) in any other form of legal consideration that may be acceptable to the Board.

(d) Exercise and Payment of a SAR. To exercise any outstanding SAR, the Participant must provide written notice of exercise to the Company in compliance with the provisions of the Stock Appreciation Right Agreement evidencing such SAR. The appreciation distribution payable on the exercise of a SAR will be not greater than an amount equal to the excess of (A) the aggregate Fair Market Value (on the date of the exercise of the SAR) of a number of shares of Common Stock equal to the number of Common Stock equivalents in which the Participant is vested under such SAR, and with respect to which the Participant is exercising the SAR on such date, over (B) the aggregate strike price of the number of Common Stock equivalents with respect to which the Participant is exercising the SAR on such date. The appreciation distribution may be paid in Common Stock, in cash, in any combination of the two or in any other form of consideration, as determined by the Board and contained in the Stock Award Agreement evidencing such SAR.

(e) Transferability of Options and SARs. The Board may, in its sole discretion, impose such limitations on the transferability of Options and SARs as the Board will determine. In the absence of such a determination by the Board to the contrary, the following restrictions on the transferability of Options and SARs will apply:

(i) Restrictions on Transfer. An Option or SAR will not be transferable except by will or by the laws of descent and distribution (or pursuant to subsections (ii) and (iii) below), and will be exercisable during the lifetime of the Participant only by the Participant. The Board may permit transfer of the Option or SAR in a manner that is not prohibited by applicable tax and securities laws. Except as explicitly provided in the Plan, neither an Option nor a SAR may be transferred for consideration.

(ii) Domestic Relations Orders. Subject to the approval of the Board or a duly authorized Officer, an Option or SAR may be transferred pursuant to the terms of a domestic relations order, official marital settlement agreement or other divorce or separation instrument as permitted by Treasury Regulation 1.421-1(b)(2). If an Option is an Incentive Stock Option, such Option may be deemed to be a Nonstatutory Stock Option as a result of such transfer.

(iii) Beneficiary Designation. Subject to the approval of the Board or a duly authorized Officer, a Participant may, by delivering written notice to the Company, in a form approved by the Company (or the designated broker), designate a third party who, upon the death of the Participant, will thereafter be entitled to exercise the Option or SAR and receive the Common Stock or other consideration resulting from such exercise. In the absence of such a designation, upon the death of the Participant, the executor or administrator of the Participant's estate will be entitled to exercise the Option or SAR and receive the Common Stock or other consideration resulting from such exercise. However, the Company may prohibit designation of a beneficiary at any time, including due to any conclusion by the Company that such designation would be inconsistent with the provisions of applicable laws.

(f) Vesting Generally. The total number of shares of Common Stock subject to an Option or SAR may vest and therefore become exercisable in periodic installments that may or may not be equal. The Option or SAR may be subject to such other terms and conditions on the time or times when it may or may not be exercised (which may be based on the satisfaction of performance goals or other criteria) as the Board may deem appropriate. The vesting provisions of individual Options or SARs may vary. The provisions of this Section 5(f) are subject to any Option or SAR provisions governing the minimum number of shares of Common Stock as to which an Option or SAR may be exercised.

(g) Termination of Continuous Service. Except as otherwise provided in the applicable Stock Award Agreement or other agreement between the Participant and the Company, if a Participant's Continuous Service terminates (other than for Cause and other than upon the Participant's death or Disability), the Participant may exercise his or her Option or SAR (to the extent that the Participant was entitled to exercise such Stock Award as of the date of termination of Continuous Service) within the period of time ending on the earlier of (i) the date three months following the termination of the Participant's Continuous Service (or such longer or shorter period specified in the applicable Stock Award Agreement, which period will not be less than 30 days if necessary to comply with applicable laws unless such termination is for Cause) and (ii) the expiration of the term of the Option or SAR as set forth in the Stock Award Agreement. If, after termination of Continuous Service, the Participant does not exercise his or her Option or SAR (as applicable) within the applicable time frame, the Option or SAR will terminate.

(h) Extension of Termination Date. If the exercise of an Option or SAR following the termination of the Participant's Continuous Service (other than for Cause and other than upon the Participant's death or Disability) would be prohibited at any time solely because the issuance of shares of Common Stock would violate the registration requirements under the Securities Act, then the Option or SAR will terminate on the earlier of (i) the expiration of a total period of time (that need not be consecutive) equal to the applicable post-termination exercise period after the termination of the Participant's Continuous Service during which the exercise of the Option or SAR would not be in violation of such registration requirements, and (ii) the expiration of the term of the Option or SAR as set forth in the applicable Stock Award Agreement. In addition, unless otherwise provided in a Participant's Stock Award Agreement, if

the sale of any Common Stock received upon exercise of an Option or SAR following the termination of the Participant's Continuous Service (other than for Cause) would violate the Company's insider trading policy, then the Option or SAR will terminate on the earlier of (i) the expiration of the period of time (that need not be consecutive) equal to the applicable post-termination exercise period after the termination of the Participant's Continuous Service during which the sale of the Common Stock received upon exercise of the Option or SAR would not be in violation of the Company's insider trading policy, and (ii) the expiration of the term of the Option or SAR as set forth in the applicable Stock Award Agreement.

(i) Disability of Participant. Except as otherwise provided in the applicable Stock Award Agreement or other agreement between the Participant and the Company, if a Participant's Continuous Service terminates as a result of the Participant's Disability, the Participant may exercise his or her Option or SAR (to the extent that the Participant was entitled to exercise such Option or SAR as of the date of termination of Continuous Service), but only within such period of time ending on the earlier of (i) the date 12 months following such termination of Continuous Service (or such longer or shorter period specified in the Stock Award Agreement, which period will not be less than six months if necessary to comply with applicable laws unless such termination is for Cause), and (ii) the expiration of the term of the Option or SAR as set forth in the Stock Award Agreement. If, after termination of Continuous Service, the Participant does not exercise his or her Option or SAR within the applicable time frame, the Option or SAR (as applicable) will terminate.

(j) Death of Participant. Except as otherwise provided in the applicable Stock Award Agreement or other agreement between the Participant and the Company, if (i) a Participant's Continuous Service terminates as a result of the Participant's death, or (ii) the Participant dies within the period (if any) specified in the Stock Award Agreement for exercisability after the termination of the Participant's Continuous Service (for a reason other than death), then the Option or SAR may be exercised (to the extent the Participant was entitled to exercise such Option or SAR as of the date of death) by the Participant's estate, by a person who acquired the right to exercise the Option or SAR by bequest or inheritance or by a person designated to exercise the Option or SAR upon the Participant's death, but only within the period ending on the earlier of (i) the date 18 months following the date of death (or such longer or shorter period specified in the Stock Award Agreement, which period will not be less than six months if necessary to comply with applicable laws unless such termination is for Cause), and (ii) the expiration of the term of such Option or SAR as set forth in the Stock Award Agreement. If, after the Participant's death, the Option or SAR is not exercised within the applicable time frame, the Option or SAR (as applicable) will terminate.

(k) Termination for Cause. Except as explicitly provided otherwise in a Participant's Stock Award Agreement or other individual written agreement between the Company or any Affiliate and the Participant, if a Participant's Continuous Service is terminated for Cause, the Option or SAR will terminate immediately upon such Participant's termination of Continuous Service, and the Participant will be prohibited from exercising his or her Option or SAR (whether vested or unvested) from and after the date of such termination of Continuous Service.

(l) Non-Exempt Employees. If an Option or SAR is granted to an Employee who is a non-exempt employee for purposes of the Fair Labor Standards Act of 1938, as amended, the Option or SAR will not be first exercisable for any shares of Common Stock until at least six months following the date of grant of the Option or SAR (although the Stock Award may vest prior to such date). Consistent with the provisions of the Worker Economic Opportunity Act, (i) if such non-exempt Employee dies or suffers a Disability, (ii) upon a Corporate Transaction in which such Option or SAR is not assumed, continued, or substituted, (iii) upon a Change in Control, or (iv) upon the Participant's retirement (as such term may be defined in the Participant's Stock Award Agreement, in another agreement between the Participant and the

Company, or, if no such definition, in accordance with the Company's then current employment policies and guidelines), the vested portion of any Options and SARs may be exercised earlier than six months following the date of grant. The foregoing provision is intended to operate so that any income derived by a non-exempt employee in connection with the exercise or vesting of an Option or SAR will be exempt from his or her regular rate of pay. To the extent permitted and/or required for compliance with the Worker Economic Opportunity Act to ensure that any income derived by a non-exempt employee in connection with the exercise, vesting or issuance of any shares under any other Stock Award will be exempt from the employee's regular rate of pay, the provisions of this Section 5(l) will apply to all Stock Awards and are hereby incorporated by reference into such Stock Award Agreements.

(m) Early Exercise of Options. An Option may, but need not, include a provision whereby the Optionholder may elect at any time before the Optionholder's Continuous Service terminates to exercise the Option as to any part or all of the shares of Common Stock subject to the Option prior to the full vesting of the Option. Subject to the "Repurchase Limitation" in Section 8(l), any unvested shares of Common Stock so purchased may be subject to a repurchase right in favor of the Company or to any other restriction the Board determines to be appropriate. Provided that the "Repurchase Limitation" in Section 8(l) is not violated, the Company will not be required to exercise its repurchase right until at least six months (or such longer or shorter period of time required to avoid classification of the Option as a liability for financial accounting purposes) have elapsed following exercise of the Option unless the Board otherwise specifically provides in the Option Agreement.

(n) Right of Repurchase. Subject to the "Repurchase Limitation" in Section 8(l), the Option or SAR may include a provision whereby the Company may elect to repurchase all or any part of the vested shares of Common Stock acquired by the Participant pursuant to the exercise of the Option or SAR.

(o) Right of First Refusal. The Option or SAR may include a provision whereby the Company may elect to exercise a right of first refusal following receipt of notice from the Participant of the intent to transfer all or any part of the shares of Common Stock received upon the exercise of the Option or SAR. Such right of first refusal will be subject to the "Repurchase Limitation" in Section 8(l). Except as expressly provided in this Section 5(o) or in the Stock Award Agreement, such right of first refusal will otherwise comply with any applicable provisions of the bylaws of the Company.

6. Provisions of Stock Awards Other than Options and SARs.

(a) Restricted Stock Awards. Each Restricted Stock Award Agreement will be in such form and will contain such terms and conditions as the Board will deem appropriate. To the extent consistent with the Company's bylaws, at the Board's election, shares of Common Stock underlying a Restricted Stock Award may be (i) held in book entry form subject to the Company's instructions until any restrictions relating to the Restricted Stock Award lapse; or (ii) evidenced by a certificate, which certificate will be held in such form and manner as determined by the Board. The terms and conditions of Restricted Stock Award Agreements may change from time to time, and the terms and conditions of separate Restricted Stock Award Agreements need not be identical. Each Restricted Stock Award Agreement will conform to (through incorporation of the provisions hereof by reference in the agreement or otherwise) the substance of each of the following provisions:

(i) Consideration. A Restricted Stock Award may be awarded in consideration for (A) cash, check, bank draft or money order payable to the Company, (B) past services to the Company or an Affiliate, or (C) any other form of legal consideration (including future services) that may be acceptable to the Board, in its sole discretion, and permissible under applicable law.

(ii) Vesting. Subject to the “Repurchase Limitation” in Section 8(l), shares of Common Stock awarded under the Restricted Stock Award Agreement may be subject to forfeiture to the Company in accordance with a vesting schedule to be determined by the Board.

(iii) Termination of Participant’s Continuous Service. If a Participant’s Continuous Service terminates, the Company may receive through a forfeiture condition or a repurchase right, any or all of the shares of Common Stock held by the Participant that have not vested as of the date of termination of Continuous Service under the terms of the Restricted Stock Award Agreement.

(iv) Transferability. Rights to acquire shares of Common Stock under the Restricted Stock Award Agreement will be transferable by the Participant only upon such terms and conditions as are set forth in the Restricted Stock Award Agreement, as the Board will determine in its sole discretion, so long as Common Stock awarded under the Restricted Stock Award Agreement remains subject to the terms of the Restricted Stock Award Agreement.

(v) Dividends. A Restricted Stock Award Agreement may provide that any dividends paid on Restricted Stock will be subject to the same vesting and forfeiture restrictions as apply to the shares subject to the Restricted Stock Award to which they relate.

(b) Restricted Stock Unit Awards. Each Restricted Stock Unit Award Agreement will be in such form and will contain such terms and conditions as the Board will deem appropriate. The terms and conditions of Restricted Stock Unit Award Agreements may change from time to time, and the terms and conditions of separate Restricted Stock Unit Award Agreements need not be identical. Each Restricted Stock Unit Award Agreement will conform to (through incorporation of the provisions hereof by reference in the Agreement or otherwise) the substance of each of the following provisions:

(i) Consideration. At the time of grant of a Restricted Stock Unit Award, the Board will determine the consideration, if any, to be paid by the Participant upon delivery of each share of Common Stock subject to the Restricted Stock Unit Award. The consideration to be paid (if any) by the Participant for each share of Common Stock subject to a Restricted Stock Unit Award may be paid in any form of legal consideration that may be acceptable to the Board, in its sole discretion, and permissible under applicable law.

(ii) Vesting. At the time of the grant of a Restricted Stock Unit Award, the Board may impose such restrictions on or conditions to the vesting of the Restricted Stock Unit Award as it, in its sole discretion, deems appropriate.

(iii) Payment. A Restricted Stock Unit Award may be settled by the delivery of shares of Common Stock, their cash equivalent, any combination thereof or in any other form of consideration, as determined by the Board and contained in the Restricted Stock Unit Award Agreement.

(iv) Additional Restrictions. At the time of the grant of a Restricted Stock Unit Award, the Board, as it deems appropriate, may impose such restrictions or conditions that delay the delivery of the shares of Common Stock (or their cash equivalent) subject to a Restricted Stock Unit Award to a time after the vesting of such Restricted Stock Unit Award.

(v) Dividend Equivalents. Dividend equivalents may be credited in respect of shares of Common Stock covered by a Restricted Stock Unit Award, as determined by the Board and contained in the Restricted Stock Unit Award Agreement. At the sole discretion of the Board, such dividend equivalents may be converted into additional shares of Common Stock covered by the Restricted Stock Unit Award in such manner as determined by the Board. Any additional shares covered by the Restricted Stock Unit Award credited by reason of such dividend equivalents will be subject to all of the same terms and conditions of the underlying Restricted Stock Unit Award Agreement to which they relate.

(vi) Termination of Participant's Continuous Service. Except as otherwise provided in the applicable Restricted Stock Unit Award Agreement, such portion of the Restricted Stock Unit Award that has not vested will be forfeited upon the Participant's termination of Continuous Service.

(vii) Compliance with Section 409A of the Code. Notwithstanding anything to the contrary set forth herein, any Restricted Stock Unit Award granted under the Plan that is not exempt from the requirements of Section 409A of the Code will contain such provisions so that such Restricted Stock Unit Award will comply with the requirements of Section 409A of the Code. Such restrictions, if any, will be determined by the Board and contained in the Restricted Stock Unit Award Agreement evidencing such Restricted Stock Unit Award. For example, such restrictions may include, without limitation, a requirement that any Common Stock that is to be issued in a year following the year in which the Restricted Stock Unit Award vests must be issued in accordance with a fixed pre-determined schedule.

(c) Other Stock Awards. Other forms of Stock Awards valued in whole or in part by reference to, or otherwise based on, Common Stock, including the appreciation in value thereof (e.g., options or stock rights with an exercise price or strike price less than 100% of the Fair Market Value of the Common Stock at the time of grant) may be granted either alone or in addition to Stock Awards provided for under Section 5 and the preceding provisions of this Section 6. Subject to the provisions of the Plan, the Board will have sole and complete authority to determine the persons to whom and the time or times at which such Other Stock Awards will be granted, the number of shares of Common Stock (or the cash equivalent thereof) to be granted pursuant to such Other Stock Awards and all other terms and conditions of such Other Stock Awards.

7. Covenants of the Company.

(a) Availability of Shares. The Company will keep available at all times the number of shares of Common Stock reasonably required to satisfy then-outstanding Stock Awards.

(b) Securities Law Compliance. The Company will seek to obtain from each regulatory commission or agency having jurisdiction over the Plan such authority as may be required to grant Stock Awards and to issue and sell shares of Common Stock upon exercise of the Stock Awards; *provided, however*, that this undertaking will not require the Company to register under the Securities Act the Plan, any Stock Award or any Common Stock issued or issuable pursuant to any such Stock Award. If, after reasonable efforts and at a reasonable cost, the Company is unable to obtain from any such regulatory commission or agency the authority that counsel for the Company deems necessary for the lawful issuance and sale of Common Stock under the Plan, the Company will be relieved from any liability for failure to issue and sell Common Stock upon exercise of such Stock Awards unless and until such authority is obtained. A Participant will not be eligible for the grant of a Stock Award or the subsequent issuance of cash or Common Stock pursuant to the Stock Award if such grant or issuance would be in violation of any applicable securities law.

(c) No Obligation to Notify or Minimize Taxes. The Company will have no duty or obligation to any Participant to advise such holder as to the time or manner of exercising such Stock Award. Furthermore, the Company will have no duty or obligation to warn or otherwise advise such holder of a pending termination or expiration of a Stock Award or a possible period in which the Stock Award may not be exercised. The Company has no duty or obligation to minimize the tax consequences of a Stock Award to the holder of such Stock Award.

8. Miscellaneous.

(a) Use of Proceeds from Sales of Common Stock. Proceeds from the sale of shares of Common Stock pursuant to Stock Awards will constitute general funds of the Company.

(b) Corporate Action Constituting Grant of Stock Awards. Corporate action constituting a grant by the Company of a Stock Award to any Participant will be deemed completed as of the date of such corporate action, unless otherwise determined by the Board, regardless of when the instrument, certificate, or letter evidencing the Stock Award is communicated to, or actually received or accepted by, the Participant. In the event that the corporate records (e.g., Board consents, resolutions or minutes) documenting the corporate action constituting the grant contain terms (e.g., exercise price, vesting schedule or number of shares) that are inconsistent with those in the Stock Award Agreement or related grant documents as a result of a clerical error in the papering of the Stock Award Agreement or related grant documents, the corporate records will control and the Participant will have no legally binding right to the incorrect term in the Stock Award Agreement or related grant documents.

(c) Stockholder Rights. No Participant will be deemed to be the holder of, or to have any of the rights of a holder with respect to, any shares of Common Stock subject to a Stock Award unless and until (i) such Participant has satisfied all requirements for exercise of, or the issuance of shares of Common Stock under, the Stock Award pursuant to its terms, and (ii) the issuance of the Common Stock subject to the Stock Award has been entered into the books and records of the Company.

(d) No Employment or Other Service Rights. Nothing in the Plan, any Stock Award Agreement or any other instrument executed thereunder or in connection with any Stock Award granted pursuant thereto will confer upon any Participant any right to continue to serve the Company or an Affiliate in the capacity in effect at the time the Stock Award was granted or will affect the right of the Company or an Affiliate to terminate (i) the employment of an Employee with or without notice and with or without cause, (ii) the service of a Consultant pursuant to the terms of such Consultant's agreement with the Company or an Affiliate, or (iii) the service of a Director pursuant to the bylaws of the Company or an Affiliate, and any applicable provisions of the corporate law of the state in which the Company or the Affiliate is incorporated, as the case may be.

(e) Change in Time Commitment. In the event a Participant's regular level of time commitment in the performance of his or her services for the Company and any Affiliates is reduced (for example, and without limitation, if the Participant is an Employee of the Company and the Employee has a change in status from a full-time Employee to a part-time Employee or takes an extended leave of absence) after the date of grant of any Stock Award to the Participant, the Board has the right in its sole discretion to (x) make a corresponding reduction in the number of shares subject to any portion of such Stock Award that is scheduled to vest or become payable after the date of such change in time commitment, and (y) in lieu of or in combination with such a reduction, extend the vesting or payment schedule applicable to such Stock Award. In the event of any such reduction, the Participant will have no right with respect to any portion of the Stock Award that is so reduced or extended.

(f) Incentive Stock Option Limitations. To the extent that the aggregate Fair Market Value (determined at the time of grant) of Common Stock with respect to which Incentive Stock Options are exercisable for the first time by any Optionholder during any calendar year (under all plans of the Company and any Affiliates) exceeds \$100,000 (or such other limit established in the Code) or otherwise does not comply with the rules governing Incentive Stock Options, the Options or portions thereof that exceed such limit (according to the order in which they were granted) or otherwise do not comply with such rules will be treated as Nonstatutory Stock Options, notwithstanding any contrary provision of the applicable Option Agreement(s).

(g) Investment Assurances. The Company may require a Participant, as a condition of exercising or acquiring Common Stock under any Stock Award, (i) to give written assurances satisfactory to the Company as to the Participant's knowledge and experience in financial and business matters and/or to employ a purchaser representative reasonably satisfactory to the Company who is knowledgeable and experienced in financial and business matters and that the Participant is capable of evaluating, alone or together with the purchaser representative, the merits and risks of exercising the Stock Award; and (ii) to give written assurances satisfactory to the Company stating that the Participant is acquiring Common Stock subject to the Stock Award for the Participant's own account and not with any present intention of selling or otherwise distributing the Common Stock. The foregoing requirements, and any assurances given pursuant to such requirements, will be inoperative if (A) the issuance of the shares upon the exercise or acquisition of Common Stock under the Stock Award has been registered under a then currently effective registration statement under the Securities Act, or (B) as to any particular requirement, a determination is made by counsel for the Company that such requirement need not be met in the circumstances under the then applicable securities laws. The Company may, upon advice of counsel to the Company, place legends on stock certificates issued under the Plan as such counsel deems necessary or appropriate in order to comply with applicable securities laws, including, but not limited to, legends restricting the transfer of the Common Stock.

(h) Withholding Obligations. Unless prohibited by the terms of a Stock Award Agreement, the Company may, in its sole discretion, satisfy any federal, state or local tax withholding obligation relating to a Stock Award by any of the following means or by a combination of such means: (i) causing the Participant to tender a cash payment; (ii) withholding shares of Common Stock from the shares of Common Stock issued or otherwise issuable to the Participant in connection with the Stock Award; *provided, however*, that no shares of Common Stock are withheld with a value exceeding the maximum amount of tax required to be withheld by law (or such lesser amount as may be necessary to avoid classification of the Stock Award as a liability for financial accounting purposes); (iii) withholding cash from a Stock Award settled in cash; (iv) withholding payment from any amounts otherwise payable to the Participant; or (v) by such other method as may be set forth in the Stock Award Agreement.

(i) Electronic Delivery. Any reference herein to a "written" agreement or document will include any agreement or document delivered electronically or posted on the Company's intranet (or other shared electronic medium controlled by the Company to which the Participant has access).

(j) Deferrals. To the extent permitted by applicable law, the Board, in its sole discretion, may determine that the delivery of Common Stock or the payment of cash, upon the exercise, vesting or settlement of all or a portion of any Stock Award may be deferred and may establish programs and procedures for deferral elections to be made by Participants. Deferrals by Participants will be made in accordance with Section 409A of the Code. Consistent with Section 409A of the Code, the Board may provide for distributions while a Participant is still an employee or otherwise providing services to the Company. The Board is authorized to make deferrals of Stock Awards and determine when, and in what annual percentages, Participants may receive payments, including lump sum payments, following the Participant's termination of Continuous Service, and implement such other terms and conditions consistent with the provisions of the Plan and in accordance with applicable law.

(k) Compliance with Section 409A of the Code. To the extent that the Board determines that any Stock Award granted hereunder is subject to Section 409A of the Code, the Stock Award Agreement evidencing such Stock Award will incorporate the terms and conditions necessary to avoid the consequences specified in Section 409A(a)(1) of the Code. To the extent applicable, the Plan and Stock Award Agreements will be interpreted in accordance with Section 409A of the Code. Notwithstanding anything to the contrary in the Plan (and unless the Stock Award Agreement specifically provides otherwise), if the shares of Common Stock are publicly traded, and if a Participant holding a Stock Award that constitutes “deferred compensation” under Section 409A of the Code is a “specified employee” for purposes of Section 409A of the Code, no distribution or payment of any amount that is due because of a “separation from service” (as defined in Section 409A of the Code without regard to alternative definitions thereunder) will be issued or paid before the date that is six months following the date of such Participant’s “separation from service” (as defined in Section 409A of the Code without regard to alternative definitions thereunder) or, if earlier, the date of the Participant’s death, unless such distribution or payment can be made in a manner that complies with Section 409A of the Code, and any amounts so deferred will be paid in a lump sum on the day after such six month period elapses, with the balance paid thereafter on the original schedule.

(l) Repurchase Limitation. The terms of any repurchase right will be specified in the Stock Award Agreement. The repurchase price for vested shares of Common Stock will be the Fair Market Value of the shares of Common Stock on the date of repurchase. The repurchase price for unvested shares of Common Stock will be the lower of (i) the Fair Market Value of the shares of Common Stock on the date of repurchase or (ii) their original purchase price. However, the Company will not exercise its repurchase right until at least six months (or such longer or shorter period of time necessary to avoid classification of the Stock Award as a liability for financial accounting purposes) have elapsed following delivery of shares of Common Stock subject to the Stock Award, unless otherwise specifically provided by the Board.

9. Adjustments upon Changes in Common Stock; Other Corporate Events.

(a) Capitalization Adjustments. In the event of a Capitalization Adjustment, then: (i) the class(es) and maximum number of securities subject to the Plan pursuant to Section 3(a), (ii) the class(es) and maximum number of securities that may be issued pursuant to the exercise of Incentive Stock Options pursuant to Section 3(c), and (iii) the class(es) and number of securities and price per share of stock subject to outstanding Stock Awards will be proportionately adjusted and such adjustment shall occur automatically. To the extent such adjustments cannot occur automatically, the Board shall have the power to make determinations as it deems necessary and its determinations and any adjustments under this section will be final, binding and conclusive.

(b) Dissolution or Liquidation. Except as otherwise provided in the Stock Award Agreement, in the event of a dissolution or liquidation of the Company, all outstanding Stock Awards (other than Stock Awards consisting of vested and outstanding shares of Common Stock not subject to a forfeiture condition or the Company’s right of repurchase) will terminate immediately prior to the completion of such dissolution or liquidation, and the shares of Common Stock subject to the Company’s repurchase rights or subject to a forfeiture condition may be repurchased or reacquired by the Company notwithstanding the fact that the holder of such Stock Award is providing Continuous Service, *provided, however*, that the Board may, in its sole discretion, cause some or all Stock Awards to become fully vested, exercisable and/or no longer subject to repurchase or forfeiture (to the extent such Stock Awards have not previously expired or terminated) before the dissolution or liquidation is completed but contingent on its completion.

(c) Corporate Transaction. The following provisions will apply to Stock Awards in the event of a Corporate Transaction unless otherwise provided in the instrument evidencing the Stock Award or any other written agreement between the Company or any Affiliate and the Participant or unless otherwise expressly provided by the Board at the time of grant of a Stock Award. In the event of a Corporate Transaction, then, notwithstanding any other provision of the Plan, the Board may take one or more of the following actions with respect to Stock Awards, contingent upon the closing or completion of the Corporate Transaction:

(i) arrange for the surviving corporation or acquiring corporation (or the surviving or acquiring corporation's parent company) to assume or continue the Stock Award or to substitute a similar stock award for the Stock Award (including, but not limited to, an award to acquire the same consideration paid to the stockholders of the Company pursuant to the Corporate Transaction);

(ii) arrange for the assignment of any reacquisition or repurchase rights held by the Company in respect of Common Stock issued pursuant to the Stock Award to the surviving corporation or acquiring corporation (or the surviving or acquiring corporation's parent company);

(iii) accelerate the vesting, in whole or in part, of the Stock Award (and, if applicable, the time at which the Stock Award may be exercised) to a date prior to the effective time of such Corporate Transaction as the Board determines (or, if the Board does not determine such a date, to the date that is five days prior to the effective date of the Corporate Transaction), with such Stock Award terminating if not exercised (if applicable) at or prior to the effective time of the Corporate Transaction; *provided, however*, that the Board may require Participants to complete and deliver to the Company a notice of exercise before the effective date of a Corporate Transaction, which exercise is contingent upon the effectiveness of such Corporate Transaction;

(iv) arrange for the lapse, in whole or in part, of any reacquisition or repurchase rights held by the Company with respect to the Stock Award;

(v) cancel or arrange for the cancellation of the Stock Award, to the extent not vested or not exercised prior to the effective time of the Corporate Transaction, in exchange for such cash consideration (including no consideration) as the Board, in its sole discretion, may consider appropriate; and

(vi) make a payment, in such form as may be determined by the Board equal to the excess, if any, of (A) the value of the property the Participant would have received upon the exercise of the Stock Award immediately prior to the effective time of the Corporate Transaction, over (B) any exercise price payable by such holder in connection with such exercise. For clarity, this payment may be zero (\$0) if the value of the property is equal to or less than the exercise price. Payments under this provision may be delayed to the same extent that payment of consideration to the holders of the Company's Common Stock in connection with the Corporate Transaction is delayed as a result of escrows, earn outs, holdbacks or any other contingencies.

The Board need not take the same action or actions with respect to all Stock Awards or portions thereof or with respect to all Participants. The Board may take different actions with respect to the vested and unvested portions of a Stock Award.

(d) **Change in Control.** A Stock Award may be subject to additional acceleration of vesting and exercisability upon or after a Change in Control as may be provided in the Stock Award Agreement for such Stock Award or as may be provided in any other written agreement between the Company or any Affiliate and the Participant, but in the absence of such provision, no such acceleration will occur.

10. Plan Term; Earlier Termination or Suspension of the Plan.

(a) **Plan Term.** The Board may suspend or terminate the Plan at any time. Unless terminated sooner by the Board, the Plan will automatically terminate on the day before the 10th anniversary of the earlier of (i) the date the Plan is adopted by the Board, or (ii) the date the Plan is approved by the stockholders of the Company. No Stock Awards may be granted under the Plan while the Plan is suspended or after it is terminated.

(b) **No Impairment of Rights.** Suspension or termination of the Plan will not impair rights and obligations under any Stock Award granted while the Plan is in effect except with the written consent of the affected Participant or as otherwise permitted in the Plan.

11. Effective Date of Plan.

This Plan will become effective on the Effective Date.

12. Choice of Law.

The laws of the State of Delaware will govern all questions concerning the construction, validity and interpretation of this Plan, without regard to that state's conflict of laws rules.

13. Definitions. As used in the Plan (or as otherwise used in connection with an Award, or as otherwise may be defined in the applicable Stock Award Agreement), the following definitions will apply to the capitalized terms indicated below:

(a) **"Affiliate"** means, at the time of determination, any "parent" or "majority-owned subsidiary" of the Company, as such terms are defined in Rule 405. The Board will have the authority to determine the time or times at which "parent" or "majority-owned subsidiary" status is determined within the foregoing definition.

(b) **"Board"** means the Board of Directors of the Company.

(c) **"Capitalization Adjustment"** means any change that is made in, or other events that occur with respect to, the Common Stock subject to the Plan or subject to any Stock Award after the Effective Date without the receipt of consideration by the Company through merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, large nonrecurring cash dividend, stock split, reverse stock split, liquidating dividend, combination of shares, exchange of shares, change in corporate structure, or any similar equity restructuring transaction, as that term is used in Statement of Financial Accounting Standards Board Accounting Standards Codification Topic 718 (or any successor thereto). Notwithstanding the foregoing, the conversion of any convertible securities of the Company will not be treated as a Capitalization Adjustment.

(d) “Cause” will have the meaning ascribed to such term in any written agreement between the Participant and the Company defining such term and, in the absence of such agreement, such term means, with respect to a Participant, the occurrence of any of the following events: (i) such Participant’s commission of any felony or any crime involving fraud, dishonesty or moral turpitude under the laws of the United States or any state thereof; (ii) such Participant’s attempted commission of, or participation in, a fraud or act of dishonesty against the Company, or any of its employees or directors; (iii) such Participant’s intentional, material violation of any contract or agreement between the Participant and the Company, the Company’s employment policies, or of any statutory or other duty owed to the Company; (iv) such Participant’s unauthorized use or disclosure of the Company’s confidential information or trade secrets; or (v) such Participant’s gross misconduct. The determination that a termination of the Participant’s Continuous Service is either for Cause or without Cause will be made by the Company, in its sole discretion. Any determination by the Company that the Continuous Service of a Participant was terminated with or without Cause for the purposes of outstanding Stock Awards held by such Participant will have no effect upon any determination of the rights or obligations of the Company or such Participant for any other purpose.

(e) “Change in Control” means the occurrence, in a single transaction or in a series of related transactions, of any one or more of the following events:

(i) any Exchange Act Person becomes the Owner, directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company’s then outstanding securities other than by virtue of a merger, consolidation or similar transaction. Notwithstanding the foregoing, a Change in Control will not be deemed to occur (A) on account of the acquisition of securities of the Company directly from the Company, (B) on account of the acquisition of securities of the Company by an investor, any affiliate thereof or any other Exchange Act Person that acquires the Company’s securities in a transaction or series of related transactions the primary purpose of which is to obtain financing for the Company through the issuance of equity securities or (C) solely because the level of Ownership held by any Exchange Act Person (the “Subject Person”) exceeds the designated percentage threshold of the outstanding voting securities as a result of a repurchase or other acquisition of voting securities by the Company reducing the number of shares outstanding, provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of voting securities by the Company, and after such share acquisition, the Subject Person becomes the Owner of any additional voting securities that, assuming the repurchase or other acquisition had not occurred, increases the percentage of the then outstanding voting securities Owned by the Subject Person over the designated percentage threshold, then a Change in Control will be deemed to occur;

(ii) there is consummated a merger, consolidation or similar transaction involving (directly or indirectly) the Company and, immediately after the consummation of such merger, consolidation or similar transaction, the stockholders of the Company immediately prior thereto do not Own, directly or indirectly, either (A) outstanding voting securities representing more than 50% of the combined outstanding voting power of the surviving Entity in such merger, consolidation or similar transaction or (B) more than 50% of the combined outstanding voting power of the parent of the surviving Entity in such merger, consolidation or similar transaction, in each case in substantially the same proportions as their Ownership of the outstanding voting securities of the Company immediately prior to such transaction; or

(iii) there is consummated a sale, lease, exclusive license or other disposition of all or substantially all of the consolidated assets of the Company and its Subsidiaries, other than a sale, lease, license or other disposition of all or substantially all of the consolidated assets of the Company and its Subsidiaries to an Entity, more than 50% of the combined voting power of the voting securities of which are Owned by stockholders of the Company in substantially the same proportions as their Ownership of the outstanding voting securities of the Company immediately prior to such sale, lease, license or other disposition.

Notwithstanding the foregoing definition or any other provision of this Plan, (A) the term Change in Control will not include a sale of assets, merger or other transaction effected exclusively for the purpose of changing the domicile of the Company; (B) the definition of Change in Control (or any analogous term) in an individual written agreement between the Company or any Affiliate and the Participant will supersede the foregoing definition with respect to Stock Awards subject to such agreement; *provided, however*, that if no definition of Change in Control or any analogous term is set forth in such an individual written agreement, the definition set forth herein will apply, and (C) if at any time the Company's Certificate of Incorporation provides definitions of various analogous transactions that would be deemed a liquidation event for the Company, then such definition will apply as if it were the definition set forth herein except as is otherwise expressly provided in an individual written agreement between the Company or any Affiliate and the Participant.

(f) "**Code**" means the Internal Revenue Code of 1986, as amended, including any applicable regulations and guidance thereunder.

(g) "**Committee**" means a committee of one or more Directors to whom authority has been delegated by the Board in accordance with Section 2(c).

(h) "**Common Stock**" means the common stock of the Company.

(i) "**Company**" means Candid Therapeutics, Inc., a Delaware corporation.

(j) "**Consultant**" means any person, including an advisor, who is (i) engaged by the Company or an Affiliate to render consulting or advisory services (whether directly or indirectly, including without limitation through an engagement with a professional employer organization, employer of record or similar arrangement, and is deemed pursuant to such arrangement to be a consultant or advisor of the Company or an Affiliate under applicable laws) and is compensated for such services, or (ii) serving as a member of the board of directors of an Affiliate and is compensated for such services. However, service solely as a Director, or payment of a fee for such service, will not cause a Director to be considered a "Consultant" for purposes of the Plan.

(k) "**Continuous Service**" means that the Participant's service with the Company or an Affiliate, whether as an Employee, Director or Consultant, is not interrupted or terminated. A change in the capacity in which the Participant renders service to the Company or an Affiliate as an Employee, Director or Consultant or a change in the Entity for which the Participant renders such service, provided that there is no interruption or termination of the Participant's service with the Company or an Affiliate, will not terminate a Participant's Continuous Service; *provided, however*, that if the Entity for which a Participant is rendering services ceases to qualify as an Affiliate, as determined by the Board in its sole discretion, such Participant's Continuous Service will be considered to have terminated on the date such Entity ceases to qualify as an Affiliate. For example, a change in status from an Employee of the Company to a Consultant of an Affiliate or to a Director will not constitute an interruption of Continuous Service. To the extent permitted by law, the Board or the chief executive officer of the Company, in that party's sole discretion, may determine whether Continuous Service will be considered interrupted in the case of (i) any leave of absence approved by the Board or chief executive officer, including sick leave, military leave or any other personal leave, or (ii) transfers between the Company, an Affiliate, or their successors. Notwithstanding the foregoing, a leave of absence will be treated as Continuous Service for purposes of vesting in a Stock Award only to such extent as may be provided in the Company's leave of absence policy, in the written terms of any leave of absence agreement or policy applicable to the Participant, or as otherwise required by law.

(l) “**Corporate Transaction**” means the consummation, in a single transaction or in a series of related transactions, of any one or more of the following events:

(i) a sale or other disposition of all or substantially all, as determined by the Board in its sole discretion, of the consolidated assets of the Company and its Subsidiaries;

(ii) a sale or other disposition of more than 50% of the outstanding securities of the Company;

(iii) a merger, consolidation or similar transaction following which the Company is not the surviving corporation; or

(iv) a merger, consolidation or similar transaction following which the Company is the surviving corporation but the shares of Common Stock outstanding immediately preceding the merger, consolidation or similar transaction are converted or exchanged by virtue of the merger, consolidation or similar transaction into other property, whether in the form of securities, cash or otherwise.

(m) “**Director**” means a member of the Board.

(n) “**Disability**” means, with respect to a Participant, the inability of such Participant to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or that has lasted or can be expected to last for a continuous period of not less than twelve (12) months as provided in Sections 22(e)(3) and 409A(a)(2)(c)(i) of the Code, and will be determined by the Board on the basis of such medical evidence as the Board deems warranted under the circumstances.

(o) “**Effective Date**” means the effective date of this Plan, which is the earlier of (i) the date that this Plan is first approved by the Company’s stockholders, and (ii) the date this Plan is adopted by the Board.

(p) “**Employee**” means any person employed by the Company or an Affiliate (whether directly or indirectly, including without limitation through an engagement with a professional employer organization, employer of record or similar arrangement, and is deemed pursuant to such arrangement to be an employee of the Company or an Affiliate under applicable laws). However, service solely as a Director, or payment of a fee for such services, will not cause a Director to be considered an “Employee” for purposes of the Plan.

(q) “**Entity**” means a corporation, partnership, limited liability company or other entity.

(r) “**Exchange Act**” means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

(s) “**Exchange Act Person**” means any natural person, Entity or “group” (within the meaning of Section 13(d) or 14(d) of the Exchange Act), except that “Exchange Act Person” will not include (i) the Company or any Subsidiary of the Company, (ii) any employee benefit plan of the Company or any Subsidiary of the Company or any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any Subsidiary of the Company, (iii) an underwriter temporarily holding securities pursuant to a registered public offering of such securities, (iv) an Entity Owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their Ownership of stock of the Company; or (v) any natural person, Entity or “group” (within the meaning of Section 13(d) or 14(d) of the Exchange Act) that, as of the Effective Date, is the Owner, directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company’s then outstanding securities.

(t) “**Fair Market Value**” means, as of any date, the value of the Common Stock determined by the Board in compliance with Section 409A of the Code or, in the case of an Incentive Stock Option, in compliance with Section 422 of the Code.

(u) “**Good Reason**” will have the meaning ascribed to such term in any written agreement between the Participant and the Company defining such term and, in the absence of a definition of such term in the applicable written agreement, such term means, with respect to a Participant, a material and unreasonable diminution of such Participant’s duties (as determined by the Board in its sole discretion) without such Participant’s consent; provided, however, that the following shall not constitute Good Reason: (i) a change of title; (ii) a reduction in such Participant’s duties by virtue of the Company undergoing a Change in Control and/or being made part of a larger entity or group of entities; and/or (iii) cessation of such Participant’s service, if any, on the Board or a committee thereof. For such Participant to receive the benefits under the applicable written agreement between such Participant and the Company as a result of a voluntary resignation for Good Reason, unless otherwise provided in such agreement, all of the following requirements must be satisfied: (A) such Participant must provide notice to the Company of such Participant’s intent to assert Good Reason within thirty (30) days of the initial existence of the condition set forth in the previous sentence; (B) the Company will have thirty (30) days (the “**Company Cure Period**”) from the date of such notice to remedy the condition and, if it does so, such Participant may withdraw such Participant’s resignation or such Participant may resign with no benefits under the applicable written agreement; and (C) any termination of such Participant’s Continuous Service under this provision must occur within ten (10) days of the earlier of expiration of the Company Cure Period or written notice from the Company that it will not undertake to cure the applicable condition. Unless otherwise set forth in the applicable written agreement, should the Company remedy the condition as set forth above and then such condition arises again, such Participant may assert Good Reason again subject to all of the conditions set forth herein. Unless otherwise set forth in the applicable written agreement, the term “Company” for purposes of “Good Reason” will be interpreted to include any Affiliate of the Company to which such Participant provides services, if appropriate, as determined by the Board in its sole discretion.

(v) “**Incentive Stock Option**” means an option granted pursuant to Section 5 of the Plan that is intended to be, and that qualifies as, an “incentive stock option” within the meaning of Section 422 of the Code.

(w) “**Nonstatutory Stock Option**” means an option granted pursuant to Section 5 of the Plan that does not qualify as an Incentive Stock Option.

(x) “**Officer**” means any person designated by the Company as an officer.

(y) “**Option**” means an Incentive Stock Option or a Nonstatutory Stock Option to purchase shares of Common Stock granted pursuant to the Plan.

(z) “**Option Agreement**” means a written agreement between the Company and an Optionholder evidencing the terms and conditions of an Option grant. Each Option Agreement will be subject to the terms and conditions of the Plan.

(aa) “**Optionholder**” means a person to whom an Option is granted pursuant to the Plan or, if applicable, such other person who holds an outstanding Option.

(bb) “**Other Stock Award**” means an award based in whole or in part by reference to the Common Stock which is granted pursuant to the terms and conditions of Section 6(c).

(cc) “**Other Stock Award Agreement**” means a written agreement between the Company and a holder of an Other Stock Award evidencing the terms and conditions of an Other Stock Award grant. Each Other Stock Award Agreement will be subject to the terms and conditions of the Plan.

(dd) “**Own**,” “**Owned**,” “**Owner**,” “**Ownership**” A person or Entity will be deemed to “Own,” to have “Owned,” to be the “Owner” of, or to have acquired “Ownership” of securities if such person or Entity, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares voting power, which includes the power to vote or to direct the voting, with respect to such securities.

(ee) “**Participant**” means a person to whom a Stock Award is granted pursuant to the Plan or, if applicable, such other person who holds an outstanding Stock Award.

(ff) “**Plan**” means this 2024 Equity Incentive Plan.

(gg) “**Restricted Stock Award**” means an award of shares of Common Stock which is granted pursuant to the terms and conditions of Section 6(a).

(hh) “**Restricted Stock Award Agreement**” means a written agreement between the Company and a holder of a Restricted Stock Award evidencing the terms and conditions of a Restricted Stock Award grant. Each Restricted Stock Award Agreement will be subject to the terms and conditions of the Plan.

(ii) “**Restricted Stock Unit Award**” means a right to receive shares of Common Stock which is granted pursuant to the terms and conditions of Section 6(b).

(jj) “**Restricted Stock Unit Award Agreement**” means a written agreement between the Company and a holder of a Restricted Stock Unit Award evidencing the terms and conditions of a Restricted Stock Unit Award grant. Each Restricted Stock Unit Award Agreement will be subject to the terms and conditions of the Plan.

(kk) “**Rule 405**” means Rule 405 promulgated under the Securities Act.

(ll) “**Rule 701**” means Rule 701 promulgated under the Securities Act.

(mm) “**Securities Act**” means the Securities Act of 1933, as amended.

(nn) “**Stock Appreciation Right**” or “**SAR**” means a right to receive the appreciation on Common Stock that is granted pursuant to the terms and conditions of Section 5.

(oo) “**Stock Appreciation Right Agreement**” means a written agreement between the Company and a holder of a Stock Appreciation Right evidencing the terms and conditions of a Stock Appreciation Right grant. Each Stock Appreciation Right Agreement will be subject to the terms and conditions of the Plan.

(pp) “**Stock Award**” means any right to receive Common Stock granted under the Plan, including an Incentive Stock Option, a Nonstatutory Stock Option, a Restricted Stock Award, a Restricted Stock Unit Award, a Stock Appreciation Right or any Other Stock Award.

(qq) “**Stock Award Agreement**” means a written agreement between the Company and a Participant evidencing the terms and conditions of a Stock Award grant. Each Stock Award Agreement will be subject to the terms and conditions of the Plan.

(rr) “**Subsidiary**” means, with respect to the Company, (i) any corporation of which more than 50% of the outstanding capital stock having ordinary voting power to elect a majority of the board of directors of such corporation (irrespective of whether, at the time, stock of any other class or classes of such corporation will have or might have voting power by reason of the happening of any contingency) is at the time, directly or indirectly, Owned by the Company, and (ii) any partnership, limited liability company or other entity in which the Company has a direct or indirect interest (whether in the form of voting or participation in profits or capital contribution) of more than 50%.

(ss) “**Ten Percent Stockholder**” means a person who Owns (or is deemed to Own pursuant to Section 424(d) of the Code) stock possessing more than 10% of the total combined voting power of all classes of stock of the Company or any Affiliate.

CANDID THERAPEUTICS, INC.

AMENDMENT NO.1 TO 2024 EQUITY INCENTIVE PLAN

June 1, 2024

A. **CANDID THERAPEUTICS, INC.**, a corporation organized under the laws of the State of Delaware, (the “**Company**”) previously established the Company’s 2024 Equity Incentive Plan (the “**Plan**”);

B. The Plan currently provides for 200,000 shares of Common Stock to be reserved for issuance under the Plan; and

C. The Company now wishes to amend the Plan to increase the number of shares of Common Stock reserved under the Plan and to modify Section 3(a)(i) of the Plan.

NOW THEREFORE, effective immediately, the Plan is amended as follows:

1. The reference in Section 3(a)(i) to “200,000” is amended to reference “1,000,000”.
2. In all other respects, the Plan remains the same.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company has caused this Amendment to be executed as of the date first written above.

CANDID THERAPEUTICS, INC.

By: /s/ Ken Song

Ken Song

Chief Executive Officer

[SIGNATURE PAGE TO AMENDMENT TO 2024 EQUITY INCENTIVE PLAN]

CANDID THERAPEUTICS, INC.

AMENDMENT NO. 2 TO 2024 EQUITY INCENTIVE PLAN

August 19, 2024

A. **CANDID THERAPEUTICS, INC.**, a corporation organized under the laws of the State of Delaware, (the “**Company**”) previously established the Company’s 2024 Equity Incentive Plan (the “**Plan**”);

B. The Plan currently provides for 55,100,000 shares of Common Stock to be reserved for issuance under the Plan; and

C. The Company now wishes to amend the Plan to increase the number of shares of Common Stock reserved under the Plan and to modify Section 3(a)(i) of the Plan.

NOW THEREFORE, effective immediately, the Plan is amended as follows:

1. The reference in Section 3(a)(i) to “55,100,000” is amended to reference “60,711,153”.
2. In all other respects, the Plan remains the same.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company has caused this Amendment to be executed as of the date first written above.

CANDID THERAPEUTICS, INC.

By: /s/ Ken Song

Ken Song

Chief Executive Officer

[SIGNATURE PAGE TO AMENDMENT TO 2024 EQUITY INCENTIVE PLAN]

CANDID THERAPEUTICS, INC.

RESTRICTED STOCK AWARD GRANT NOTICE
(2024 EQUITY INCENTIVE PLAN)

Candid Therapeutics, Inc. (the “*Company*”), pursuant to its 2024 Equity Incentive Plan (the “*Plan*”), hereby awards to Participant the right to purchase the number of shares of Common Stock (the “*Shares*”) set forth below (the “*Award*”). The Award is subject to all of the terms and conditions as set forth in this Restricted Stock Award Grant Notice (the “*Grant Notice*”) and the attached Restricted Stock Award Terms and Conditions (together with the Grant Notice, the “*Award Agreement*”), and the Plan, all of which are attached to this Grant Notice and incorporated into this Grant Notice in their entirety. Capitalized terms not explicitly defined in the Award Agreement but defined in the Plan will have the meanings provided in the Plan. If the Company uses an electronic capitalization table system (such as Carta or Shareworks) and the fields below are blank or the information is otherwise provided in a different format electronically, the blank fields and other information (such as exercise schedule and type of grant) shall be deemed to come from the electronic capitalization system and is considered part of this Grant Notice.

Participant:	_____
Date of Grant:	_____
Vesting Commencement Date:	_____
Number of Shares Subject to Award:	_____
Purchase Price per Share:	_____
Total Purchase Price:	_____
Consideration:	Cash, check or wire transfer

Vesting Schedule: [Sample of standard vesting. 12/48ths of the total shares will vest on the one-year anniversary of the Vesting Commencement Date, and 1/48th of the total shares will vest each month thereafter on the same day of the month as the Vesting Commencement Date (or if there is no corresponding day, on the last day of the month), subject to Participant’s Continuous Service as of each such date].

Additional Terms/Acknowledgements: Participant acknowledges receipt of a copy of the Plan and represents that Participant is familiar with the terms and provisions thereof, and hereby accepts this Award subject to all of the terms and provisions of the Plan and this Award Agreement (including all attachments and exhibits) and has had an opportunity to obtain the advice of counsel prior to executing and accepting the Award. By accepting this Award, Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Board upon any questions arising under the Plan or this Award.

Participant further consents to receive any documents related to the Plan by electronic delivery and to participate in the Plan through an online or electronic system established and maintained by the Company or a third party designated by the Company.

Participant further acknowledges that as of the Date of Grant, this Award Agreement and the Plan set forth the entire understanding between Participant and the Company regarding the acquisition of stock in the Company and supersede all prior oral and written agreements on that subject, with the exception of (i) options, restricted stock awards or other compensatory stock awards previously granted and delivered to Participant, and (ii) any written employment or severance arrangement that would provide for vesting acceleration of this Award upon the terms and conditions set forth therein.

Participant further acknowledges that this Award Agreement has been prepared on behalf of the Company by Cooley LLP, counsel to the Company and that Cooley LLP does not represent, and is not acting on behalf of, Participant in any capacity. Participant has been provided with an opportunity to consult with Participant’s own counsel with respect to this Award Agreement.

This Award may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act or other applicable law) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

Candid Therapeutics, Inc.	Participant:
By: _____	_____
Signature	Signature
Name: _____	Name: _____
Title: _____	Date: _____
Date: _____	

Attachments:

- Attachment I: Restricted Stock Award Terms and Conditions
- Exhibit A: Assignment Separate from Certificate
- Exhibit B : Joint Escrow Instructions
- Attachment II: 2024 Equity Incentive Plan
- Attachment III: Section 83(b) Election

ATTACHMENT I

RESTRICTED STOCK AWARD TERMS AND CONDITIONS

**CANDID THERAPEUTICS, INC.
(2024 EQUITY INCENTIVE PLAN)**

RESTRICTED STOCK AWARD TERMS AND CONDITIONS

Candid Therapeutics, Inc. (the “*Company*”) has awarded you the right to purchase the number of Shares indicated in the Grant Notice (the “*Award*”) pursuant to its 2024 Equity Incentive Plan (the “*Plan*”). The Grant Notice and these Restricted Stock Award Terms and Conditions are collectively referred to as the “*Award Agreement*”. Capitalized terms not explicitly defined in this Agreement but defined in the Plan will have the same meanings given to them in the Plan.

The details of your Award, in addition to those set forth in the Grant Notice and the Plan, are as follows:

1. Agreement to Purchase; Closing. You agree to purchase from the Company, and the Company agrees to sell to you, the aggregate number of shares of Common Stock specified in your Grant Notice at the specified Purchase Price per Share. You may not purchase less than the aggregate number of shares specified in the Grant Notice. You may purchase the shares by delivering the Total Purchase Price referenced in your Grant Notice to the Secretary of the Company, or to such other person as the Company may designate, during regular business hours, within 30 days following the Date of Grant specified in the Grant Notice (or at such other time and place as you and the Company may mutually agree upon in writing) along with the documents referenced in Section 2 below and such additional documents as the Company may then require.

2. Escrow of Shares. As security for your faithful performance of the terms of this Award Agreement and to ensure the availability for delivery of the Unvested Shares upon exercise of the Repurchase Right, you agree that the Shares will be held in escrow pursuant to the terms of the Joint Escrow Instructions attached to this Agreement as **Exhibit B**. You agree to execute and deliver to the individual designated as the escrow agent in the Joint Escrow Instructions or person’s designee (the “*Escrow Agent*”), (i) the Joint Escrow Instructions and (ii) two Assignment Separate From Certificate forms duly endorsed (with date and number of shares blank) substantially in the form attached to this Agreement as **Exhibit A** and deliver the same, along with the certificate or certificates evidencing the Unvested Shares, which will be held and used by the Escrow Agent pursuant to the terms of the Joint Escrow Instructions.

3. Vesting. Subject to the limitations contained herein, the Shares will vest pursuant to the Vesting Schedule in the Grant Notice, provided that vesting will cease upon the termination of your Continuous Service. “*Vested Shares*” will mean Shares that have vested in accordance with the Vesting Schedule, and “*Unvested Shares*” will mean Shares that have not vested in accordance with the Vesting Schedule.

4. Capitalization Adjustments. The number of Shares subject to your Award may be adjusted from time to time for Capitalization Adjustments. In the event of any such Capitalization Adjustments, new, substituted or additional securities or other property to which you are entitled by reason of your ownership of the Unvested Shares will be immediately subject to the same vesting requirements and vesting schedule that is applicable to the Shares with respect to which such additional Shares relate, as well as all transfer restrictions contained in this Award Agreement, including the Repurchase Right, the Right of First Refusal and the Lock-Up Period (each as defined below). No fractional shares or rights for fractional shares will be created pursuant to this Section. Any fraction of a share will be rounded down to the nearest whole share.

5. Securities Law Compliance. The Shares are not registered under the Securities Act. At this time, the Company has determined that the issuance of the Shares under this Award is exempt from the registration requirements of the Securities Act. If the Company determines at any time that an exemption from the registration requirements of the Securities Act was not available or that the issuance of the Shares otherwise would not comply with any other applicable laws and regulations, then the Company will not be obligated to issue the Shares or may rescind the award to you.

6. Transfer Restrictions. In addition to any other limitation on transfer created by the Company's bylaws and applicable securities laws, you may not Transfer all or any part of the Unvested Shares or any interest in the Unvested Shares while such shares are subject to the Repurchase Right (as defined below) or continue to be held by the Escrow Agent (as defined below) or by the Company's transfer agent in restricted book entry form. In the case of Vested Shares, you may not Transfer the Vested Shares or any interest in the Vested Shares except in compliance with this Award Agreement, including without limitation the Right of First Refusal (as defined below), the Company's bylaws and applicable securities laws. As used in this Award Agreement, the term "**Transfer**" means any sale, encumbrance, pledge, gift or other form of disposition or transfer of shares of Common Stock or any legal or equitable interest therein; *provided, however*, that the term Transfer does not include a transfer of such shares or interests by will or intestacy to your Immediate Family. In such case, the transferee or other recipient will receive and hold the Shares so transferred subject to the provisions of this Award Agreement, and there will be no further transfer of such shares except in accordance with the terms of this Award Agreement. The term "**Immediate Family**" will mean your spouse, the lineal descendant or antecedent, father, mother, brother or sister, child, adopted child, grandchild or adopted grandchild of you or your spouse, or the spouse of any child, adopted child, grandchild or adopted grandchild of you or your spouse.

7. Unvested Share Repurchase Right.

a. Repurchase Right. In the event your Continuous Service terminates, the Company will have an irrevocable option (the "**Repurchase Right**") for a period of ninety (90) days after the termination of your Continuous Service, or such longer period as may be agreed to by you and the Company, to repurchase from you or your personal representative, as the case may be, any and all Unvested Shares as of such termination date.

b. Shares Repurchasable at the Lower of your Original Purchase Price or Fair Market Value. The Company may repurchase all or any of the Unvested Shares at a price equal to the lower of your Purchase Price for such shares as indicated on your Grant Notice or the Fair Market Value of the Unvested Shares on the date of repurchase.

c. Exercise of Repurchase Right. Unless the Company notifies you within 90 days from the date of termination of your Continuous Service that it does not intend to exercise the Repurchase Right with respect to some or all of the Unvested Shares, the Repurchase Right shall be deemed automatically exercised by the Company as of the 90th day following such termination, provided that the Company may notify you that it is exercising the Repurchase Right as of a date prior to such 90th day. Unless you are otherwise notified by the Company pursuant to the preceding sentence that the Company does not intend to exercise the Repurchase Right as to some or all of the Unvested Shares to which it applies at the time of termination, execution of this Agreement by you constitutes written notice to you of the Company's intention to exercise the Repurchase Right with respect to all Unvested Shares to which the Repurchase Right applies. The Company, at its election, may satisfy its payment obligation to you with respect to exercise of the Repurchase Right by either (A) delivering a check to you in the amount of the purchase price for the Unvested Shares being repurchased, or (B) in the event you are indebted to the Company, canceling an amount of such indebtedness equal to the purchase price for the Unvested Shares being repurchased, or (C) by a combination of (A) and (B) so that the combined payment and cancellation

of indebtedness equals such purchase price. In the event of any deemed automatic exercise of the Repurchase Right pursuant to this Section in which you are indebted to the Company, such indebtedness equal to the purchase price of the Unvested Shares being repurchased shall be deemed automatically canceled as of the 90th day following termination of your Continuous Service unless the Company otherwise satisfies its payment obligations. As a result of any repurchase of Unvested Shares pursuant to this Section, the Company will become the legal and beneficial owner of the Unvested Shares being repurchased and all rights and interests in and related to such shares, and the Company will have the right to transfer to its own name the Unvested Shares being repurchased by the Company, without further action by you. Notwithstanding anything to the contrary in this Section or in this Award Agreement, the Company may elect to waive, in its sole discretion, its Repurchase Right in whole or in part by providing written notice to you (with a copy to the Escrow Agent), at any time prior to the expiration of the Repurchase Right, and the Escrow Agent may then release to you the number of Shares not being repurchased by the Company.

d. Corporate Transactions. To the extent the Repurchase Right remains in effect following a Corporate Transaction or Change in Control, unless otherwise provided by the Board pursuant to the terms of the Plan, it will apply to the new capital stock, cash or other property received in exchange for the Unvested Shares in consummation of the Corporate Transaction or Change in Control, as applicable, but only to the extent the Unvested Shares were at the time covered by such right.

e. Termination of Repurchase Right. The Company's Repurchase Right will terminate upon the earlier of (i) the Company's reacquisition in full of the Unvested Shares (or waiver of the Repurchase Right) and (ii) the expiration of the Repurchase Right.

8. Right of First Refusal. Shares that are received under your Award are subject to any right of first refusal that may be described in the Company's bylaws in effect at such time the Company elects to exercise its right; *provided, however*, that if there is no right of first refusal described in the Company's bylaws at such time, the right of first refusal described below (the "**Right of First Refusal**") will apply. The Right of First Refusal will expire on the first date upon which any security of the Company is listed (or approved for listing) upon notice of issuance on a national securities exchange or quotation system (the "**Listing Date**").

a. Prior to the Listing Date, you may not validly Transfer any Shares received under the Award, or any interest in such shares, unless such Transfer is made in compliance with the following provisions:

1) Before there can be a valid Transfer of any Shares or any interest therein, the record holder of the Shares to be transferred (the "**Offered Shares**") will give written notice (by registered or certified mail) to the Company (the "**ROFR Notice**"). Such notice will specify the identity of the proposed transferee, the cash price offered for the Offered Shares by the proposed transferee (or, if the proposed Transfer is one in which the holder will not receive cash, such as an involuntary transfer, gift, donation or pledge, the holder will state that no purchase price is being proposed), and the other terms and conditions of the proposed Transfer. The date such notice is mailed will be hereinafter referred to as the "**Notice Date**" and the record holder of the Offered Shares will be hereinafter referred to as the "**Offeror**."

2) For a period of 30 calendar days after the Notice Date, the Company will have the option to exercise its Right of First Refusal and purchase all or any portion of the Offered Shares at the purchase price and on the terms set forth in this Section. In the event that the proposed Transfer is one involving no payment of a purchase price, the purchase price will be deemed to be the Fair Market Value of the Offered Shares as determined in good faith by the Board in its discretion. The Company may exercise its Right of First Refusal by mailing (by registered or certified mail) written notice of exercise of its Right of First Refusal to the Offeror prior to the end of said 30 days.

3) The price at which the Company may purchase the Offered Shares pursuant to the exercise of its Right of First Refusal will be the cash price offered for the Offered Shares by the proposed transferee (as set forth in the ROFR Notice), or the Fair Market Value as determined by the Board in the event no purchase price is involved. To the extent consideration other than cash is offered by the proposed transferee, the Company will not be required to pay any additional amounts to the Offeror other than the cash price offered (or the Fair Market Value, if applicable). The Company's notice of exercise of its Right of First Refusal will be accompanied by full payment for the Offered Shares and, upon such payment by the Company, the Company will acquire full right, title and interest to all of the Offered Shares.

4) If, and only if, the Company elects not to exercise its Right of First Refusal as to the Offered Shares, the Transfer proposed in the ROFR Notice may take place; *provided, however*, that such Transfer must, in all respects, be exactly as proposed in said notice except that such Transfer may not take place either before the 10th calendar day after the expiration of the 30 day option exercise period or after the 90th calendar day after the expiration of the 30 day option exercise period, and if such Transfer has not taken place prior to said 90th day, such Transfer may not take place without once again complying with this Section.

b. None of the shares of Common Stock received under the Award will be transferred on the Company's books nor will the Company recognize any such Transfer of any such shares or any interest therein unless and until all applicable provisions of this Section have been complied with in all respects. The certificates of stock evidencing Shares received under the Award will bear an appropriate legend referring to the transfer restrictions imposed by this Section.

9. Lock-Up Period. By accepting your Award, you agree that you will not sell, dispose of, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale with respect to any shares of Common Stock or other securities of the Company held by you, for a period of 180 days following the effective date of a registration statement of the Company filed under the Securities Act or such longer period as the underwriters or the Company will request to facilitate compliance with applicable FINRA rules (the "**Lock-Up Period**"); *provided, however*, that nothing contained in this Section will prevent the exercise of a reacquisition or repurchase option, if any, in favor of the Company during the Lock-Up Period. You further agree to execute and deliver such other agreements as may be reasonably requested by the Company or the underwriters that are consistent with the foregoing or that are necessary to give further effect to the foregoing covenant. You also agree that any transferee of any other shares of Common Stock (or other securities) of the Company held by you will be bound by this Section. To enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to your shares of Common Stock until the end of such period. The underwriters of the Company's stock are intended third party beneficiaries of this Section and will have the right, power and authority to enforce the provisions of this Section as though they were a party to this Award Agreement. You further agree that the obligations contained in this Section 8 shall also, if so determined by the Company's Board of Directors, apply in (1) the Company's initial listing of its Common Stock on a national securities exchange by means of a registration statement on Form S-1 under the Securities Act (or any successor registration form under the Securities Act subsequently adopted by the Securities and Exchange Commission) filed by the Company with the Securities and Exchange Commission that registers shares of existing capital stock of the Company for resale (a "**Direct Listing**") (and, for avoidance of doubt, the Lock-Up Period shall be deemed to include the period following the Direct Listing during which the restrictions under this Section 8 apply), and (2) the Company's completion of a merger or consolidation with a special purpose acquisition company or its subsidiary in which the Common Stock (or similar securities) of the surviving or parent entity are publicly traded in a public offering pursuant to an effective registration statement under the Securities Act, *provided*, in each case, that all holders of at least 5% of the Company's outstanding Common Stock (after giving effect to the conversion into Common Stock of any outstanding Preferred Stock of the Company) are subject to substantially similar obligations with respect to such Direct Listing, merger or consolidation, as applicable.

10. Rights as Stockholder.

a. General. Subject to the provisions of this Award Agreement, you will exercise all rights and privileges of a stockholder of the Company with respect to the Shares, including for purposes of exercising any voting rights relating to any Unvested Shares.

b. Dividends. You will be deemed to be the holder of the Unvested Shares for purposes of receiving any dividends that may be paid with respect to such Shares; *provided, however*, that any dividends or other distributions paid with respect to the Unvested Shares shall be subject to all of the terms and conditions applicable under this Award Agreement to the same extent as the Unvested Shares. For clarity, cash dividends made prior to the vesting of any Unvested Shares will be withheld and paid to you (without interest) only if, when and to the extent, such Shares become Vested Shares.

11. Waiver of Information Rights. You hereby acknowledge and agree that, except for such information as required to be delivered to you by the Company pursuant to any other agreement by and between you and the Company, you shall have no right to receive any information from the Company by virtue of your purchase of the Shares, ownership of the Shares, or as a result of you being a holder of record of stock of the Company. Without limiting the foregoing, to the fullest extent permitted by law, you hereby waive your inspection rights under Section 220 of the Delaware General Corporation Law and all such similar information and/or inspection rights that may be provided under the law of any jurisdiction, or any federal, state or foreign regulation, that are, or may become, applicable to the Company, the Company's capital stock or the Shares (the "*Inspection Rights*"). You hereby covenant and agree never to directly or indirectly commence, voluntarily aid in any way, prosecute, assign, transfer, or cause to be commenced any claim, action, cause of action, or other proceeding to pursue or exercise the Inspection Rights.

12. Restrictive Legends. All certificates representing the Common Stock issued under your Award will be endorsed with appropriate legends determined by the Company in substantially the following forms (in addition to any other legend that may be required by other agreements between you and the Company):

a. "THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A REPURCHASE RIGHT AND OTHER RESTRICTIONS AND CONDITIONS SET FORTH IN A RESTRICTED STOCK AWARD AGREEMENT BETWEEN THE COMPANY AND THE REGISTERED HOLDER, OR SUCH HOLDER'S PREDECESSOR IN INTEREST, A COPY OF WHICH IS ON FILE AT THE COMPANY'S PRINCIPAL CORPORATE OFFICES. ANY TRANSFER OR ATTEMPTED TRANSFER OF ANY SHARES SUBJECT TO SUCH RIGHT IS VOID WITHOUT THE PRIOR EXPRESS WRITTEN CONSENT OF THE COMPANY."

b. "THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT AS TO THE SECURITIES UNDER SAID ACT OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED."

c. "THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO CERTAIN RIGHTS OF REFUSAL GRANTED TO THE COMPANY AND/OR ITS ASSIGNEE(S) AND ACCORDINGLY MAY NOT BE SOLD, ASSIGNED, TRANSFERRED, ENCUMBERED OR IN ANY MANNER DISPOSED OF EXCEPT IN CONFORMITY WITH THE TERMS OF THE BYLAWS OF THE COMPANY AND/OR A RESTRICTED STOCK AWARD AGREEMENT BETWEEN THE COMPANY AND THE REGISTERED HOLDER, OR SUCH HOLDER'S PREDECESSOR IN INTEREST, A COPY OF WHICH IS ON FILE AT THE COMPANY'S PRINCIPAL CORPORATE OFFICES."

d. "THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A TRANSFER RESTRICTION, AS PROVIDED IN THE BYLAWS OF THE COMPANY."

e. Any legend required by appropriate blue sky officials.

13. Investment Representations. In connection with your acquisition of the Common Stock under your Award, you represent to the Company the following:

a. You are aware of the Company's business affairs and financial condition and have acquired sufficient information about the Company to reach an informed and knowledgeable decision to acquire the Shares. You are acquiring the Shares for investment for your own account only and not with a view to, or for resale in connection with, any "distribution" thereof within the meaning of the Securities Act.

b. You understand that the Shares have not been registered under the Securities Act by reason of a specific exemption therefrom, which exemption depends upon, among other things, the bona fide nature of your investment intent as expressed in this Award Agreement.

c. You further acknowledge and understand that the Shares must be held indefinitely unless the Shares are subsequently registered under the Securities Act or an exemption from such registration is available. You further acknowledge and understand that the Company is under no obligation to register the Common Stock. You understand that the certificate evidencing the Common Stock will be imprinted with a legend that prohibits the transfer of the Common Stock unless the Common Stock is registered or such registration is not required in the opinion of counsel for the Company.

d. You are familiar with the provisions of Rule 701 and Rule 144 promulgated under the Securities Act ("**Rule 144**"), as in effect from time to time, which, in substance, permit limited public resale of "restricted securities" acquired, directly or indirectly, from the issuer thereof (or from an affiliate of such issuer), in a non-public offering subject to the satisfaction of certain conditions. Rule 701 provides that if the issuer qualifies under Rule 701 at the time of issuance of the securities, such issuance will be exempt from registration under the Securities Act. In the event the Company becomes subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, the securities exempt under Rule 701 may be sold by you 90 days thereafter, subject to the satisfaction of certain of the conditions specified by Rule 144 and by the agreement(s) relating to the Lock-Up Period.

e. In the event that the sale of the Shares does not qualify under Rule 701 at the time of issuance, then the Shares may be resold by you in certain limited circumstances subject to the provisions of Rule 144, which requires, among other things: (i) the availability of certain public information about the Company; and (ii) the resale occurring following the required holding period under Rule 144 after you have purchased, and made full payment of (within the meaning of Rule 144), the securities to be sold.

f. You further understand that at the time you wish to sell the Shares, there may be no public market upon which to make such a sale, and that, even if such a public market then exists, the Company may not be satisfying the current public current information requirements of Rule 144 or 701, and that, in such event, you would be precluded from selling the Shares under Rule 144 or 701 even if the minimum holding period requirement had been satisfied.

14. Withholding Obligations.

a. At the time your Award is made, or at any time thereafter as requested by the Company, you hereby authorize withholding from payroll and any other amounts payable to you, and otherwise agree to make adequate provision for any sums required to satisfy the federal, state, local and foreign tax withholding obligations of the Company or an Affiliate, if any, which arise in connection with your Award (the “**Withholding Taxes**”). The Company may, in its sole discretion, satisfy all or any portion of the Withholding Taxes obligation relating to your Award by any of the following means or by a combination of such means: (i) withholding from any amounts otherwise payable to you by the Company; (ii) causing you to tender a cash payment; or (iii) withholding Shares issued or otherwise issuable to you in connection with the Award with a Fair Market Value equal to the amount of such Withholding Taxes; *provided, however*, that the number of such Shares withheld may not exceed the amount necessary to satisfy the Company’s required tax withholding obligations using the minimum statutory withholding rates for federal, state, local and foreign tax purposes, including payroll taxes, that are applicable to supplemental taxable income.

b. Unless the tax withholding obligations of the Company and any Affiliate are satisfied, the Company will have no obligation to issue a certificate for such Shares or release such Shares from any escrow provided for in this Award Agreement.

15. Tax Consequences. You agree to review with your own tax advisors the federal, state, local and foreign tax consequences of this investment and the transactions contemplated by this Award. You will rely solely on such advisors and not on any statements or representations of the Company or any of its agents. You understand that you (and not the Company) will be responsible for your own tax liability that may arise as a result of this investment or the transactions contemplated by this Award. You understand that Section 83 of the Code taxes as ordinary income to you the fair market value of the Shares issued to you pursuant to the Award as of the date any restrictions on such shares lapse (that is, as of the date on which part or all of such shares vest). In this context, “restriction” includes the right of the Company to reacquire the Shares pursuant to the Repurchase Right set forth above. You understand that you may elect to be taxed at the time the Shares are issued to you pursuant to your Award, rather than when and as the Repurchase Right expires, by filing an election under Section 83(b) of the Code (an “**83(b) Election**”) with the Internal Revenue Service within 30 days after the date you acquire Shares pursuant to your Award. Even if the fair market value of the Common Stock at the time of grant of your Award equals the amount paid for the Shares (if anything), the 83(b) Election must be made to avoid income under Section 83(a) in the future. You understand that failure to file such an 83(b) Election in a timely manner may result in adverse tax consequences for you. You acknowledge that the foregoing is only a summary of the effect of U.S. federal income taxation with respect to issuance of the Shares pursuant to your Award, and does not purport to be complete. You further acknowledge that the Company has directed you to seek independent advice regarding the applicable provisions of the Code, the income tax laws of any municipality, state or foreign country in which you may reside, and the tax consequences of your death. You assume all responsibility for filing an 83(b) Election and paying all taxes resulting from such election or the lapse of the restrictions on the Shares. **YOU ACKNOWLEDGE THAT IT IS YOUR OWN RESPONSIBILITY, AND NOT THE COMPANY’S, TO FILE A TIMELY 83(b) ELECTION. THE COMPANY AND ITS LEGAL COUNSEL CANNOT ASSUME RESPONSIBILITY FOR FAILURE TO FILE THE 83(b) ELECTION IN A TIMELY MANNER UNDER ANY CIRCUMSTANCES.**

16. Severability. If all or any part of this Award Agreement or the Plan is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity will not invalidate any portion of this Award Agreement or the Plan not declared to be unlawful or invalid. Any Section of this Award Agreement (or part of such a Section) so declared to be unlawful or invalid shall, if possible, be construed in a manner which will give effect to the terms of such Section or part of a Section to the fullest extent possible while remaining lawful and valid.

17. Governing Law. The interpretation, performance and enforcement of this Award Agreement shall be governed by the law of the State of Delaware without regard to that state's conflicts of laws rules.

18. Notices. Any notice or request required or permitted hereunder will be given in writing to each of the other parties hereto and will be deemed effectively given on the earlier of (i) the date of personal delivery, including delivery by express courier, or delivery via electronic means, or (ii) the date that is five days after deposit in the United States Post Office (whether or not actually received by the addressee), by registered or certified mail with postage and fees prepaid, addressed to the Company at its primary executive offices, attention: Stock Plan Administrator, and addressed to you at your address as on file with the Company at the time notice is given.

19. Imposition of Other Requirements. As a condition to the grant of your Award or to the Company's issuance of any Shares under this Award, the Company may require you to execute further documents or instruments necessary or desirable in the sole determination of the Company to carry out the purposes or intent of your Award. In addition, by accepting this Award, you agree to execute, to the extent requested by the Company, at any time and from time to time, certain agreements entered into with holders of capital stock of the Company, including without limitation a right of first refusal and co-sale agreement, stockholders agreement and/or a voting agreement.

EXHIBIT A TO

RESTRICTED STOCK AWARD TERMS AND CONDITIONS
ASSIGNMENT SEPARATE FROM CERTIFICATE

For Value Received and pursuant to that certain Restricted Stock Award Grant Notice dated _____ (the “*Award*”), [Participant’s Name] hereby sells, assigns and transfers unto **Candid Therapeutics, Inc.**, a Delaware corporation (the “*Company*”) _____ shares of the Common Stock of the Company, standing in the undersigned’s name on the books of the Company represented by Certificate No(s). _____ and does hereby irrevocably constitute and appoint the Company’s Secretary as attorney-in-fact to transfer the said Common Stock on the books of the Company with full power of substitution in the premises. This Assignment Separate From Certificate may be used only in accordance with and subject to the terms and conditions of the Award, in connection with the repurchase of shares of Common Stock of the Company issued to the undersigned pursuant to the Award, and only to the extent that such shares remain subject to the Company’s Repurchase Right under the Award.

Dated: _____

(Signature)

(Print Name)

Instructions: Please do not fill in any blanks other than the “Signature” line and the “Print Name” line.

EXHIBIT B TO
RESTRICTED STOCK AWARD TERMS AND CONDITIONS
JOINT ESCROW INSTRUCTIONS

Secretary
Candid Therapeutics, Inc.

As Escrow Agent for both **Candid Therapeutics, Inc.**, a Delaware corporation (the “*Company*”), and the undersigned recipient (“*Recipient*”) of Common Stock of the Company (the “*Common Stock*”), you are hereby authorized and directed to hold the documents delivered to you pursuant to the terms of the Restricted Stock Award Grant Notice (including all attachments and exhibits) dated _____ (the “*Award*”), to which a copy of these Joint Escrow Instructions is attached as Exhibit B to the Restricted Stock Award Terms and Conditions (the “*Agreement*”, in accordance with the following instructions:

1. In the event Recipient ceases to render services to the Company or an affiliate of the Company during the vesting period set forth in the Grant Notice, the Company or its affiliate or assignee, as applicable, will give to Recipient and you a written notice specifying the number of shares of Common Stock that will be transferred to the Company. Recipient and the Company hereby irrevocably authorize and direct you to close the transaction contemplated by such notice in accordance with the terms of said notice.

2. At the closing you are directed (a) to date any stock assignments necessary for the transfer in question, (b) to fill in the number of shares of Common Stock being transferred, and (c) to deliver the same, together with the certificate evidencing the shares of Common Stock to be transferred, to the Company.

3. Recipient irrevocably authorizes the Company to deposit with you any certificates evidencing shares of Common Stock to be held by you hereunder and any additions and substitutions to said shares of Common Stock as specified in the Grant Notice and the Agreement. Recipient does hereby irrevocably constitute and appoint you as Recipient’s attorney-in-fact and agent for the term of this escrow to execute with respect to such securities and other property all documents of assignment and/or transfer and all stock certificates necessary or appropriate to make all securities negotiable and complete any transaction herein contemplated.

4. This escrow will terminate and the shares of Common Stock held hereunder will be released in full upon the full vesting of the shares of Common Stock in accordance with the vesting schedule set forth in the Grant Notice or upon the earlier return of the shares of Common Stock to the Company pursuant to the Company’s Repurchase Right (as defined in the Agreement) or other forfeiture condition under the Company’s 2024 Equity Incentive Plan.

5. If at the time of termination of this escrow you should have in your possession any documents, securities, or other property belonging to Recipient, you will deliver all of same to Recipient and will be discharged of all further obligations hereunder; *provided, however*, that if at the time of termination of this escrow you are advised by the Company that the property subject to this escrow is the subject of a pledge or other security agreement, you will deliver all such property to the pledgeholder or other person designated by the Company.

6. Except as otherwise provided in these Joint Escrow Instructions, your duties hereunder may be altered, amended, modified or revoked only by a writing signed by all of the parties hereto.

7. You will be obligated only for the performance of such duties as are specifically set forth herein and may rely and will be protected in relying or refraining from acting on any instrument reasonably believed by you to be genuine and to have been signed or presented by the proper party or parties or their assignees. You will not be personally liable for any act you may do or omit to do hereunder as Escrow Agent or as attorney-in-fact for Recipient while acting in good faith and any act done or omitted by you pursuant to the advice of your own attorneys will be conclusive evidence of such good faith.

8. You are hereby expressly authorized to disregard any and all warnings given by any of the parties hereto or by any other person or corporation, excepting only orders or process of courts of law, and are hereby expressly authorized to comply with and obey orders, judgments or decrees of any court. In case you obey or comply with any such order, judgment or decree of any court, you will not be liable to any of the parties hereto or to any other person, firm or corporation by reason of such compliance, notwithstanding any such order, judgment or decree being subsequently reversed, modified, annulled, set aside, vacated or found to have been entered without jurisdiction.

9. You will not be liable in any respect on account of the identity, authority or rights of the parties executing or delivering or purporting to execute or deliver the Grant Notice, the Agreement or any documents or papers deposited or called for hereunder.

10. You will not be liable for the outlawing of any rights under any statute of limitations with respect to these Joint Escrow Instructions or any documents deposited with you.

11. Your responsibilities as Escrow Agent hereunder will terminate if you cease to be Secretary of the Company or if you resign by written notice to the Company. In the event of any such termination, the Secretary of the Company will automatically become the successor Escrow Agent unless the Company appoints another successor Escrow Agent and Recipient hereby confirms the appointment of such successor as Recipient's attorney-in-fact and agent to the full extent of your appointment.

12. If you reasonably require other or further instruments in connection with these Joint Escrow Instructions or obligations in respect hereto, the necessary parties hereto will join in furnishing such instruments.

13. It is understood and agreed that should any dispute arise with respect to the delivery and/or ownership or right of possession of the securities, you are authorized and directed to retain in your possession without liability to anyone all or any part of said securities until such dispute has been settled either by mutual written agreement of the parties concerned or by a final order, decree or judgment of a court of competent jurisdiction after the time for appeal has expired and no appeal has been perfected, but you will be under no duty whatsoever to institute or defend any such proceedings.

14. Any notice or request required or permitted hereunder will be given in writing to each of the other parties hereto and will be deemed effectively given on the earlier of (i) the date of personal delivery, including delivery by express courier, or delivery via electronic means, or (ii) the date that is five days after deposit in the United States Post Office (whether or not actually received by the addressee), by registered or certified mail with postage and fees prepaid, addressed to each of the other parties hereunto entitled at the following addresses, or at such other addresses as a party may designate by 10 days' advance written notice to each of the other parties hereto:

Company: Candid Therapeutics, Inc.

Attn: Chief Executive Officer

Recipient:

Escrow Agent: Candid Therapeutics, Inc.

Attn: Corporate Secretary

15. By signing these Joint Escrow Instructions you become a party hereto only for the purpose of said Joint Escrow Instructions; you do not become a party to the Grant Notice or the Agreement.

16. You are entitled to employ such legal counsel, including without limitation Cooley LLP, and other experts as you may deem necessary to advise you in connection with your obligations hereunder. You may rely upon the advice of such counsel, and may pay such counsel reasonable compensation therefor.

17. This instrument will be binding upon and inure to the benefit of the parties hereto, and their respective successors and permitted assigns. It is understood and agreed that references to “you” or “your” herein refer to the original Escrow Agent and to any and all successor Escrow Agents. It is understood and agreed that the Company may at any time or from time to time assign its rights under the Grant Notice, the Agreement and these Joint Escrow Instructions in whole or in part.

18. These Joint Escrow Instructions will be governed by and interpreted and determined in accordance with the laws of the State of Delaware without regard to that state’s conflicts of laws rules. The parties hereby expressly consent to the personal jurisdiction of the state and federal courts located in the county in which the Company has its principal offices for any lawsuit arising from or related to this Agreement.

[Remainder of page intentionally left blank]

Very truly yours,

Candid Therapeutics, Inc.

By _____

Title _____

Recipient

(Signature)

(Print Name)

Escrow Agent:

(Signature)

(Print Name)

ATTACHMENT II
2024 EQUITY INCENTIVE PLAN

ATTACHMENT III
SECTION 83(B) ELECTION

SECTION 83(b) ELECTION

_____, 20__

Department of the Treasury
Internal Revenue Service
[City, State Zip] [_____] USA
Re: Election Under Section 83(b)

To Whom It May Concern:

The undersigned taxpayer hereby elects, pursuant to Section 83(b) of the Internal Revenue Code of 1986, as amended, to include in gross income as compensation for services the excess (if any) of the fair market value of the shares described below over the amount paid for those shares. The following information is supplied in accordance with Treasury Regulation § 1.83-2:

1. **The name, [social security number][taxpayer identification number], address of the undersigned, and the taxable year for which this election is being made are:**
Name: _____
[Social Security Number][Tax Identification Number]: _____
Address: _____
Taxable year: Calendar year _____.
2. **The property that is the subject of this election:** [#] shares of common stock of Candid Therapeutics, Inc., a Delaware corporation (the "*Company*").
3. **The property was transferred on:** [•].
4. **The property is subject to the following restrictions:** Some or all of the shares are subject to forfeiture or repurchase at less than their fair market value if the undersigned does not continue to provide services for the Company for a designated period of time. The risk of forfeiture or repurchase lapses over a specified vesting period.
5. **The fair market value of the property at the time of transfer (determined without regard to any restriction other than a nonlapse restriction as defined in Treasury Regulation § 1.83-3(h)):** \$[•] per share x [#] shares = \$[•].
6. **For the property transferred, the undersigned paid:** \$[•] per share x [#] shares = \$[•].
7. **The amount to include in gross income is:** \$[•].

The undersigned taxpayer will file this election with the Internal Revenue Service office with which taxpayer files taxpayer's annual income tax return not later than 30 days after the date of transfer of the property. A copy of the election also will be furnished to the person for whom the services were performed and the transferee of the property. Additionally, the undersigned will include a copy of the election with such person's income tax return for the taxable year in which the property is transferred. The undersigned is the person performing the services in connection with which the property was transferred.

Very truly yours,

[Name]

RETURN SERVICE REQUESTED

Department of the Treasury
Internal Revenue Service
[City, State, ZIP][_____] USA]

Re: **Election Under Section 83(b) of the Internal Revenue Code**

To Whom It May Concern:

Enclosed please find an executed form of election under Section 83(b) of the Internal Revenue Code of 1986, as amended, filed with respect to an interest in Candid Therapeutics, Inc.

[Please note, the undersigned does not currently have a Tax Identification Number because the undersigned is not a U.S. taxpayer, but may become a U.S. resident before the stock vests.]

Also enclosed is a copy of this letter and a stamped, self-addressed envelope. Please acknowledge receipt of these materials by marking the copy when received and returning it to the undersigned.

Thank you very much for your assistance.

Very truly yours,

[Name]

Enclosures

CANDID THERAPEUTICS, INC.

RESTRICTED STOCK AWARD GRANT NOTICE
(2024 EQUITY INCENTIVE PLAN)

Candid Therapeutics, Inc. (the “*Company*”), pursuant to its 2024 Equity Incentive Plan (the “*Plan*”), hereby awards to Participant, in consideration for Participant’s past or future services actually or to be rendered to the Company, the number of shares of Common Stock (the “*Shares*”) set forth below (the “*Award*”). The Award is subject to all of the terms and conditions as set forth in this Restricted Stock Award Grant Notice (the “*Grant Notice*”) and the attached Restricted Stock Award Terms and Conditions (together with the Grant Notice, the “*Award Agreement*”), and the Plan, all of which are attached to this Grant Notice and incorporated into this Grant Notice in their entirety. Capitalized terms not explicitly defined in the Award Agreement but defined in the Plan will have the meanings provided in the Plan. If the Company uses an electronic capitalization table system (such as Carta or Shareworks) and the fields below are blank or the information is otherwise provided in a different format electronically, the blank fields and other information (such as exercise schedule and type of grant) shall be deemed to come from the electronic capitalization system and is considered part of this Grant Notice.

Participant: _____
Date of Grant: _____
Vesting Commencement Date: _____
Number of Shares Subject to Award: _____
Consideration: [Participant’s services]

Vesting Schedule: [Sample of standard vesting. 12/48ths of the total shares will vest on the one-year anniversary of the Vesting Commencement Date, and 1/48th of the total shares will vest each month thereafter on the same day of the month as the Vesting Commencement Date (or if there is no corresponding day, on the last day of the month), subject to Participant’s Continuous Service as of each such date].

Additional Terms/Acknowledgements: Participant acknowledges receipt of a copy of the Plan and represents that Participant is familiar with the terms and provisions thereof, and hereby accepts this Award subject to all of the terms and provisions of the Plan and this Award Agreement (including all attachments and exhibits) and has had an opportunity to obtain the advice of counsel prior to executing and accepting the Award. By accepting this Award, Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Board upon any questions arising under the Plan or this Award.

Participant further consents to receive any documents related to the Plan by electronic delivery and to participate in the Plan through an online or electronic system established and maintained by the Company or a third party designated by the Company.

Participant further acknowledges that as of the Date of Grant, this Award Agreement and the Plan set forth the entire understanding between Participant and the Company regarding the acquisition of stock in the Company and supersede all prior oral and written agreements on that subject, with the exception of (i) options, restricted stock awards or other compensatory stock awards previously granted and delivered to Participant, and (ii) any written employment or severance arrangement that would provide for vesting acceleration of this Award upon the terms and conditions set forth therein.

Participant further acknowledges that this Award Agreement has been prepared on behalf of the Company by Cooley LLP, counsel to the Company and that Cooley LLP does not represent, and is not acting on behalf of, Participant in any capacity. Participant has been provided with an opportunity to consult with Participant’s own counsel with respect to this Award Agreement.

This Award may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act or other applicable law) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

Candid Therapeutics, Inc.

By: _____
Signature
Name: _____
Title: _____
Date: _____

Participant:

Signature
Name: _____
Date: _____

Attachments:

- Attachment I: Restricted Stock Award Terms and Conditions
 - Exhibit A: Assignment Separate from Certificate
 - Exhibit B : Joint Escrow Instructions

- Attachment II: 2024 Equity Incentive Plan
- Attachment III: Section 83(b) Election

ATTACHMENT I

RESTRICTED STOCK AWARD TERMS AND CONDITIONS

CANDID THERAPEUTICS, INC.

(2024 EQUITY INCENTIVE PLAN)

RESTRICTED STOCK AWARD TERMS AND CONDITIONS

Candid Therapeutics, Inc. (the “*Company*”) has awarded you, in exchange for your services to the Company, the number of Shares indicated in the Grant Notice (the “*Award*”) pursuant to its 2024 Equity Incentive Plan (the “*Plan*”). The Grant Notice and these Restricted Stock Award Terms and Conditions are collectively referred to as the “*Award Agreement*”. Capitalized terms not explicitly defined in this Agreement but defined in the Plan will have the same meanings given to them in the Plan.

The details of your Award, in addition to those set forth in the Grant Notice and the Plan, are as follows:

1. Escrow of Shares. As security for your faithful performance of the terms of this Award Agreement and to ensure the availability for delivery of the Unvested Shares upon exercise of the Reacquisition Right, you agree that the Shares will be held in escrow pursuant to the terms of the Joint Escrow Instructions attached to this Agreement as **Exhibit B**. You agree to execute and deliver to the individual designated as the escrow agent in the Joint Escrow Instructions or person’s designee (the “*Escrow Agent*”), (i) the Joint Escrow Instructions and (ii) two Assignment Separate From Certificate forms duly endorsed (with date and number of shares blank) substantially in the form attached to this Agreement as **Exhibit A** and deliver the same, along with the certificate or certificates evidencing the Unvested Shares, which will be held and used by the Escrow Agent pursuant to the terms of the Joint Escrow Instructions.

2. Vesting. Subject to the limitations contained herein, the Shares will vest pursuant to the Vesting Schedule in the Grant Notice, provided that vesting will cease upon the termination of your Continuous Service. “*Vested Shares*” will mean Shares that have vested in accordance with the Vesting Schedule, and “*Unvested Shares*” will mean Shares that have not vested in accordance with the Vesting Schedule.

3. Number of Shares; Capitalization Adjustments. The number of Shares subject to your Award may be adjusted from time to time for Capitalization Adjustments. In the event of any such Capitalization Adjustments, new, substituted or additional securities or other property to which you are entitled by reason of your ownership of the Unvested Shares will be immediately subject to the same vesting requirements and vesting schedule that is applicable to the Shares with respect to which such additional Shares relate, as well as all transfer restrictions contained in this Award Agreement, including the Reacquisition Right, the Right of First Refusal and the Lock-Up Period (each as defined below). No fractional shares or rights for fractional shares will be created pursuant to this Section. Any fraction of a share will be rounded down to the nearest whole share.

4. Securities Law Compliance. The Shares are not registered under the Securities Act. At this time, the Company has determined that the issuance of the Shares under this Award is exempt from the registration requirements of the Securities Act. If the Company determines at any time that an exemption from the registration requirements of the Securities Act was not available or that the issuance of the Shares otherwise would not comply with any other applicable laws and regulations, then the Company will not be obligated to issue the Shares or may rescind the award to you.

5. Transfer Restrictions. In addition to any other limitation on transfer created by the Company's bylaws and applicable securities laws, you may not Transfer all or any part of the Unvested Shares or any interest in the Unvested Shares while such shares are subject to the Reacquisition Right (as defined below) or continue to be held by the Escrow Agent (as defined below) or by the Company's transfer agent in restricted book entry form. In the case of Vested Shares, you may not Transfer the Vested Shares or any interest in the Vested Shares except in compliance with this Award Agreement, including without limitation the Right of First Refusal (as defined below), the Company's bylaws and applicable securities laws. As used in this Award Agreement, the term "**Transfer**" means any sale, encumbrance, pledge, gift or other form of disposition or transfer of shares of Common Stock or any legal or equitable interest therein; *provided, however*, that the term Transfer does not include a transfer of such shares or interests by will or intestacy to your Immediate Family. In such case, the transferee or other recipient will receive and hold the Shares so transferred subject to the provisions of this Award Agreement, and there will be no further transfer of such shares except in accordance with the terms of this Award Agreement. The term "**Immediate Family**" will mean your spouse, the lineal descendant or antecedent, father, mother, brother or sister, child, adopted child, grandchild or adopted grandchild of you or your spouse, or the spouse of any child, adopted child, grandchild or adopted grandchild of you or your spouse.

6. Unvested Share Reacquisition Right.

a. Reacquisition Right. In the event your Continuous Service terminates, the Company will automatically reacquire (the "**Reacquisition Right**") on the date that is 90 days after the termination of your Continuous Service (the "**Reacquisition Date**") all Unvested Shares as of the date of your termination of Continuous Service without any payment to you (that is, for zero dollars (\$0)) and without any required action or notice to you. You hereby agree to take whatever action the Company deems necessary to effectuate the Company's reacquisition of the Unvested Shares. Following such reacquisition, the Company will become the legal and beneficial owner of the Unvested Shares being reacquired and all rights and interests in and related to such shares, and the Company will have the right to transfer to its own name the Unvested Shares being reacquired by the Company without further action by you. Notwithstanding anything to the contrary in this Section or in this Award Agreement, the Company may elect to waive, in its sole discretion, its Reacquisition Right in whole or in part by providing written notice to you (with a copy to the Escrow Agent, as defined below), at any time prior to or on the Reacquisition Date, and the Escrow Agent may then release to you the number of Shares not being reacquired by the Company.

b. Corporate Transactions. To the extent the Reacquisition Right remains in effect following a Corporate Transaction or Change in Control, unless otherwise provided by the Board pursuant to the terms of the Plan, it will apply to the new capital stock, cash or other property received in exchange for the Unvested Shares in consummation of the Corporate Transaction or Change in Control, as applicable, but only to the extent the Unvested Shares were at the time covered by such right.

c. Termination of Reacquisition Right. The Company's Reacquisition Right will terminate upon the earlier of (i) the Company's reacquisition in full of the Unvested Shares (or waiver of the Reacquisition Right) and (ii) the expiration of the Company's Reacquisition Right.

7. Right of First Refusal. Shares that are received under your Award are subject to any right of first refusal that may be described in the Company's bylaws in effect at such time the Company elects to exercise its right; *provided, however*, that if there is no right of first refusal described in the Company's bylaws at such time, the right of first refusal described below (the "**Right of First Refusal**") will apply. The Right of First Refusal will expire on the first date upon which any security of the Company is listed (or approved for listing) upon notice of issuance on a national securities exchange or quotation system (the "**Listing Date**").

a. Prior to the Listing Date, you may not validly Transfer any Shares received under the Award, or any interest in such shares, unless such Transfer is made in compliance with the following provisions:

1) Before there can be a valid Transfer of any Shares or any interest therein, the record holder of the Shares to be transferred (the “**Offered Shares**”) will give written notice (by registered or certified mail) to the Company (the “**ROFR Notice**”). Such notice will specify the identity of the proposed transferee, the cash price offered for the Offered Shares by the proposed transferee (or, if the proposed Transfer is one in which the holder will not receive cash, such as an involuntary transfer, gift, donation or pledge, the holder will state that no purchase price is being proposed), and the other terms and conditions of the proposed Transfer. The date such notice is mailed will be hereinafter referred to as the “**Notice Date**” and the record holder of the Offered Shares will be hereinafter referred to as the “**Offeror**.”

2) For a period of 30 calendar days after the Notice Date, the Company will have the option to exercise its Right of First Refusal and purchase all or any portion of the Offered Shares at the purchase price and on the terms set forth in this Section. In the event that the proposed Transfer is one involving no payment of a purchase price, the purchase price will be deemed to be the Fair Market Value of the Offered Shares as determined in good faith by the Board in its discretion. The Company may exercise its Right of First Refusal by mailing (by registered or certified mail) written notice of exercise of its Right of First Refusal to the Offeror prior to the end of said 30 days.

3) The price at which the Company may purchase the Offered Shares pursuant to the exercise of its Right of First Refusal will be the cash price offered for the Offered Shares by the proposed transferee (as set forth in the ROFR Notice), or the Fair Market Value as determined by the Board in the event no purchase price is involved. To the extent consideration other than cash is offered by the proposed transferee, the Company will not be required to pay any additional amounts to the Offeror other than the cash price offered (or the Fair Market Value, if applicable). The Company’s notice of exercise of its Right of First Refusal will be accompanied by full payment for the Offered Shares and, upon such payment by the Company, the Company will acquire full right, title and interest to all of the Offered Shares.

4) If, and only if, the Company elects not to exercise its Right of First Refusal as to the Offered Shares, the Transfer proposed in the ROFR Notice may take place; *provided, however*, that such Transfer must, in all respects, be exactly as proposed in said notice except that such Transfer may not take place either before the 10th calendar day after the expiration of the 30 day option exercise period or after the 90th calendar day after the expiration of the 30 day option exercise period, and if such Transfer has not taken place prior to said 90th day, such Transfer may not take place without once again complying with this Section.

b. None of the shares of Common Stock received under the Award will be transferred on the Company’s books nor will the Company recognize any such Transfer of any such shares or any interest therein unless and until all applicable provisions of this Section have been complied with in all respects. The certificates of stock evidencing Shares received under the Award will bear an appropriate legend referring to the transfer restrictions imposed by this Section.

8. Lock-Up Period. By accepting your Award, you agree that you will not sell, dispose of, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale with respect to any shares of Common Stock or other securities of the Company held by you, for a period of 180 days following the effective date of a registration statement of the Company filed under the Securities Act or such longer period as the underwriters or the Company will request to facilitate compliance with applicable FINRA rules (the “**Lock-Up Period**”);

provided, however, that nothing contained in this Section will prevent the exercise of a reacquisition or repurchase option, if any, in favor of the Company during the Lock-Up Period. You further agree to execute and deliver such other agreements as may be reasonably requested by the Company or the underwriters that are consistent with the foregoing or that are necessary to give further effect to the foregoing covenant. You also agree that any transferee of any other shares of Common Stock (or other securities) of the Company held by you will be bound by this Section. To enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to your shares of Common Stock until the end of such period. The underwriters of the Company's stock are intended third party beneficiaries of this Section and will have the right, power and authority to enforce the provisions of this Section as though they were a party to this Award Agreement. You further agree that the obligations contained in this Section 8 shall also, if so determined by the Company's Board of Directors, apply in (1) the Company's initial listing of its Common Stock on a national securities exchange by means of a registration statement on Form S-1 under the Securities Act (or any successor registration form under the Securities Act subsequently adopted by the Securities and Exchange Commission) filed by the Company with the Securities and Exchange Commission that registers shares of existing capital stock of the Company for resale (a "**Direct Listing**") (and, for avoidance of doubt, the Lock-Up Period shall be deemed to include the period following the Direct Listing during which the restrictions under this Section 8 apply), and (2) the Company's completion of a merger or consolidation with a special purpose acquisition company or its subsidiary in which the Common Stock (or similar securities) of the surviving or parent entity are publicly traded in a public offering pursuant to an effective registration statement under the Securities Act, *provided*, in each case, that all holders of at least 5% of the Company's outstanding Common Stock (after giving effect to the conversion into Common Stock of any outstanding Preferred Stock of the Company) are subject to substantially similar obligations with respect to such Direct Listing, merger or consolidation, as applicable.

9. Rights as Stockholder.

a. General. Subject to the provisions of this Award Agreement, you will exercise all rights and privileges of a stockholder of the Company with respect to the Shares, including for purposes of exercising any voting rights relating to any Unvested Shares.

b. Dividends. You will be deemed to be the holder of the Unvested Shares for purposes of receiving any dividends that may be paid with respect to such Shares; *provided, however*, that any dividends or other distributions paid with respect to the Unvested Shares shall be subject to all of the terms and conditions applicable under this Award Agreement to the same extent as the Unvested Shares. For clarity, cash dividends made prior to the vesting of any Unvested Shares will be withheld and paid to you (without interest) only if, when and to the extent, such Shares become Vested Shares.

10. Waiver of Information Rights. You hereby acknowledge and agree that, except for such information as required to be delivered to you by the Company pursuant to any other agreement by and between you and the Company, you shall have no right to receive any information from the Company by virtue of your purchase of the Shares, ownership of the Shares, or as a result of you being a holder of record of stock of the Company. Without limiting the foregoing, to the fullest extent permitted by law, you hereby waive your inspection rights under Section 220 of the Delaware General Corporation Law and all such similar information and/or inspection rights that may be provided under the law of any jurisdiction, or any federal, state or foreign regulation, that are, or may become, applicable to the Company, the Company's capital stock or the Shares (the "**Inspection Rights**"). You hereby covenant and agree never to directly or indirectly commence, voluntarily aid in any way, prosecute, assign, transfer, or cause to be commenced any claim, action, cause of action, or other proceeding to pursue or exercise the Inspection Rights.

11. Restrictive Legends. All certificates representing the Common Stock issued under your Award will be endorsed with appropriate legends determined by the Company in substantially the following forms (in addition to any other legend that may be required by other agreements between you and the Company):

a. "THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A REACQUISITION RIGHT AND OTHER RESTRICTIONS AND CONDITIONS SET FORTH IN A RESTRICTED STOCK AWARD AGREEMENT BETWEEN THE COMPANY AND THE REGISTERED HOLDER, OR SUCH HOLDER'S PREDECESSOR IN INTEREST, A COPY OF WHICH IS ON FILE AT THE COMPANY'S PRINCIPAL CORPORATE OFFICES. ANY TRANSFER OR ATTEMPTED TRANSFER OF ANY SHARES SUBJECT TO SUCH RIGHT IS VOID WITHOUT THE PRIOR EXPRESS WRITTEN CONSENT OF THE COMPANY."

b. "THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT AS TO THE SECURITIES UNDER SAID ACT OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED."

c. "THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO CERTAIN RIGHTS OF REFUSAL GRANTED TO THE COMPANY AND/OR ITS ASSIGNEE(S) AND ACCORDINGLY MAY NOT BE SOLD, ASSIGNED, TRANSFERRED, ENCUMBERED OR IN ANY MANNER DISPOSED OF EXCEPT IN CONFORMITY WITH THE TERMS OF THE BYLAWS OF THE COMPANY AND/OR A RESTRICTED STOCK AWARD AGREEMENT BETWEEN THE COMPANY AND THE REGISTERED HOLDER, OR SUCH HOLDER'S PREDECESSOR IN INTEREST, A COPY OF WHICH IS ON FILE AT THE COMPANY'S PRINCIPAL CORPORATE OFFICES."

d. "THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A TRANSFER RESTRICTION, AS PROVIDED IN THE BYLAWS OF THE COMPANY."

e. Any legend required by appropriate blue sky officials.

12. Investment Representations. In connection with your acquisition of the Common Stock under your Award, you represent to the Company the following:

a. You are aware of the Company's business affairs and financial condition and have acquired sufficient information about the Company to reach an informed and knowledgeable decision to acquire the Shares. You are acquiring the Shares for investment for your own account only and not with a view to, or for resale in connection with, any "distribution" thereof within the meaning of the Securities Act.

b. You understand that the Shares have not been registered under the Securities Act by reason of a specific exemption therefrom, which exemption depends upon, among other things, the bona fide nature of your investment intent as expressed in this Award Agreement.

c. You further acknowledge and understand that the Shares must be held indefinitely unless the Shares are subsequently registered under the Securities Act or an exemption from such registration is available. You further acknowledge and understand that the Company is under no obligation to register the Common Stock. You understand that the certificate evidencing the Common Stock will be imprinted with a legend that prohibits the transfer of the Common Stock unless the Common Stock is registered or such registration is not required in the opinion of counsel for the Company.

d. You are familiar with the provisions of Rule 701 and Rule 144 promulgated under the Securities Act ("**Rule 144**"), as in effect from time to time, which, in substance, permit limited public resale of "restricted securities" acquired, directly or indirectly, from the issuer thereof (or from an affiliate of such issuer), in a non-public offering subject to the satisfaction of certain conditions. Rule 701 provides that if the issuer qualifies under Rule 701 at the time of issuance of the securities, such issuance will be exempt from registration under the Securities Act. In the event the Company becomes subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, the securities exempt under Rule 701 may be sold by you 90 days thereafter, subject to the satisfaction of certain of the conditions specified by Rule 144 and by the agreement(s) relating to the Lock-Up Period.

e. In the event that the sale of the Shares does not qualify under Rule 701 at the time of issuance, then the Shares may be resold by you in certain limited circumstances subject to the provisions of Rule 144, which requires, among other things: (i) the availability of certain public information about the Company; and (ii) the resale occurring following the required holding period under Rule 144 after you have purchased, and made full payment of (within the meaning of Rule 144), the securities to be sold.

f. You further understand that at the time you wish to sell the Shares, there may be no public market upon which to make such a sale, and that, even if such a public market then exists, the Company may not be satisfying the current public current information requirements of Rule 144 or 701, and that, in such event, you would be precluded from selling the Shares under Rule 144 or 701 even if the minimum holding period requirement had been satisfied.

13. Withholding Obligations.

a. At the time your Award is made, or at any time thereafter as requested by the Company, you hereby authorize withholding from payroll and any other amounts payable to you, and otherwise agree to make adequate provision for any sums required to satisfy the federal, state, local and foreign tax withholding obligations of the Company or an Affiliate, if any, which arise in connection with your Award (the "**Withholding Taxes**"). The Company may, in its sole discretion, satisfy all or any portion of the Withholding Taxes obligation relating to your Award by any of the following means or by a combination of such means: (i) withholding from any amounts otherwise payable to you by the Company; (ii) causing you to tender a cash payment; or (iii) withholding Shares issued or otherwise issuable to you in connection with the Award with a Fair Market Value equal to the amount of such Withholding Taxes; *provided, however*, that the number of such Shares withheld may not exceed the amount necessary to satisfy the Company's required tax withholding obligations using the minimum statutory withholding rates for federal, state, local and foreign tax purposes, including payroll taxes, that are applicable to supplemental taxable income.

b. Unless the tax withholding obligations of the Company and any Affiliate are satisfied, the Company will have no obligation to issue a certificate for such Shares or release such Shares from any escrow provided for in this Award Agreement.

14. Tax Consequences. You agree to review with your own tax advisors the federal, state, local and foreign tax consequences of this investment and the transactions contemplated by this Award. You will rely solely on such advisors and not on any statements or representations of the Company or any of its agents. You understand that you (and not the Company) will be responsible for your own tax liability that may arise as a result of this investment or the transactions contemplated by this Award. You understand that Section 83 of the Code taxes as ordinary income to you the fair market value of the Shares issued to you pursuant to the Award as of the date any restrictions on such shares lapse (that is, as of the date on which part or all of such shares vest). In this context, "restriction" includes the right of the Company to reacquire the Shares pursuant to the Reacquisition Right set forth above. You understand that you may elect

to be taxed at the time the Shares are issued to you pursuant to your Award, rather than when and as the Reacquisition Right expires, by filing an election under Section 83(b) of the Code (an “**83(b) Election**”) with the Internal Revenue Service within 30 days after the date you acquire Shares pursuant to your Award. Even if the fair market value of the Common Stock at the time of grant of your Award equals the amount paid for the Shares (if anything), the 83(b) Election must be made to avoid income under Section 83(a) in the future. You understand that failure to file such an 83(b) Election in a timely manner may result in adverse tax consequences for you. You acknowledge that the foregoing is only a summary of the effect of U.S. federal income taxation with respect to issuance of the Shares pursuant to your Award, and does not purport to be complete. You further acknowledge that the Company has directed you to seek independent advice regarding the applicable provisions of the Code, the income tax laws of any municipality, state or foreign country in which you may reside, and the tax consequences of your death. You assume all responsibility for filing an 83(b) Election and paying all taxes resulting from such election or the lapse of the restrictions on the Shares. **YOU ACKNOWLEDGE THAT IT IS YOUR OWN RESPONSIBILITY, AND NOT THE COMPANY’S, TO FILE A TIMELY 83(b) ELECTION. THE COMPANY AND ITS LEGAL COUNSEL CANNOT ASSUME RESPONSIBILITY FOR FAILURE TO FILE THE 83(b) ELECTION IN A TIMELY MANNER UNDER ANY CIRCUMSTANCES.**

15. Severability. If all or any part of this Award Agreement or the Plan is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity will not invalidate any portion of this Award Agreement or the Plan not declared to be unlawful or invalid. Any Section of this Award Agreement (or part of such a Section) so declared to be unlawful or invalid shall, if possible, be construed in a manner which will give effect to the terms of such Section or part of a Section to the fullest extent possible while remaining lawful and valid.

16. Governing Law. The interpretation, performance and enforcement of this Award Agreement shall be governed by the law of the State of Delaware without regard to that state’s conflicts of laws rules.

17. Notices. Any notice or request required or permitted hereunder will be given in writing to each of the other parties hereto and will be deemed effectively given on the earlier of (i) the date of personal delivery, including delivery by express courier, or delivery via electronic means, or (ii) the date that is five days after deposit in the United States Post Office (whether or not actually received by the addressee), by registered or certified mail with postage and fees prepaid, addressed to the Company at its primary executive offices, attention: Stock Plan Administrator, and addressed to you at your address as on file with the Company at the time notice is given.

18. Imposition of Other Requirements. As a condition to the grant of your Award or to the Company’s issuance of any Shares under this Award, the Company may require you to execute further documents or instruments necessary or desirable in the sole determination of the Company to carry out the purposes or intent of your Award. In addition, by accepting this Award, you agree to execute, to the extent requested by the Company, at any time and from time to time, certain agreements entered into with holders of capital stock of the Company, including without limitation a right of first refusal and co-sale agreement, stockholders agreement and/or a voting agreement.

EXHIBIT A TO

RESTRICTED STOCK AWARD TERMS AND CONDITIONS
ASSIGNMENT SEPARATE FROM CERTIFICATE

For Value Received and pursuant to that certain Restricted Stock Award Grant Notice dated _____ (the “*Award*”), [Participant’s Name] hereby sells, assigns and transfers unto **Candid Therapeutics, Inc.**, a Delaware corporation (the “*Company*”) _____ shares of the Common Stock of the Company, standing in the undersigned’s name on the books of the Company represented by Certificate No(s). _____ and does hereby irrevocably constitute and appoint the Company’s Secretary as attorney-in-fact to transfer the said Common Stock on the books of the Company with full power of substitution in the premises. This Assignment Separate From Certificate may be used only in accordance with and subject to the terms and conditions of the Award, in connection with the reacquisition of shares of Common Stock of the Company issued to the undersigned pursuant to the Award, and only to the extent that such shares remain subject to the Company’s Reacquisition Right under the Award.

Dated: _____

(Signature)

(Print Name)

Instructions: Please do not fill in any blanks other than the “Signature” line and the “Print Name” line.

EXHIBIT B TO
RESTRICTED STOCK AWARD TERMS AND CONDITIONS
JOINT ESCROW INSTRUCTIONS

Secretary
Candid Therapeutics, Inc.

As Escrow Agent for both **Candid Therapeutics, Inc.**, a Delaware corporation (the “**Company**”), and the undersigned recipient (“**Recipient**”) of Common Stock of the Company (the “**Common Stock**”), you are hereby authorized and directed to hold the documents delivered to you pursuant to the terms of the Restricted Stock Award Grant Notice (including all attachments and exhibits) dated _____ (the “**Award**”), to which a copy of these Joint Escrow Instructions is attached as Exhibit B to the Restricted Stock Award Terms and Conditions (the “**Agreement**”, in accordance with the following instructions:

1. In the event Recipient ceases to render services to the Company or an affiliate of the Company during the vesting period set forth in the Grant Notice, the Company or its affiliate or assignee, as applicable, will give to Recipient and you a written notice specifying the number of shares of Common Stock that will be transferred to the Company. Recipient and the Company hereby irrevocably authorize and direct you to close the transaction contemplated by such notice in accordance with the terms of said notice.

2. At the closing you are directed (a) to date any stock assignments necessary for the transfer in question, (b) to fill in the number of shares of Common Stock being transferred, and (c) to deliver the same, together with the certificate evidencing the shares of Common Stock to be transferred, to the Company.

3. Recipient irrevocably authorizes the Company to deposit with you any certificates evidencing shares of Common Stock to be held by you hereunder and any additions and substitutions to said shares of Common Stock as specified in the Grant Notice and the Agreement. Recipient does hereby irrevocably constitute and appoint you as Recipient’s attorney-in-fact and agent for the term of this escrow to execute with respect to such securities and other property all documents of assignment and/or transfer and all stock certificates necessary or appropriate to make all securities negotiable and complete any transaction herein contemplated.

4. This escrow will terminate and the shares of Common Stock held hereunder will be released in full upon the full vesting of the shares of Common Stock in accordance with the vesting schedule set forth in the Grant Notice or upon the earlier return of the shares of Common Stock to the Company pursuant to the Company’s Reacquisition Right (as defined in the Agreement) or other forfeiture condition under the Company’s 2024 Equity Incentive Plan.

5. If at the time of termination of this escrow you should have in your possession any documents, securities, or other property belonging to Recipient, you will deliver all of same to Recipient and will be discharged of all further obligations hereunder; *provided, however*, that if at the time of termination of this escrow you are advised by the Company that the property subject to this escrow is the subject of a pledge or other security agreement, you will deliver all such property to the pledgeholder or other person designated by the Company.

6. Except as otherwise provided in these Joint Escrow Instructions, your duties hereunder may be altered, amended, modified or revoked only by a writing signed by all of the parties hereto.

7. You will be obligated only for the performance of such duties as are specifically set forth herein and may rely and will be protected in relying or refraining from acting on any instrument reasonably believed by you to be genuine and to have been signed or presented by the proper party or parties or their assignees. You will not be personally liable for any act you may do or omit to do hereunder as Escrow Agent or as attorney-in-fact for Recipient while acting in good faith and any act done or omitted by you pursuant to the advice of your own attorneys will be conclusive evidence of such good faith.

8. You are hereby expressly authorized to disregard any and all warnings given by any of the parties hereto or by any other person or corporation, excepting only orders or process of courts of law, and are hereby expressly authorized to comply with and obey orders, judgments or decrees of any court. In case you obey or comply with any such order, judgment or decree of any court, you will not be liable to any of the parties hereto or to any other person, firm or corporation by reason of such compliance, notwithstanding any such order, judgment or decree being subsequently reversed, modified, annulled, set aside, vacated or found to have been entered without jurisdiction.

9. You will not be liable in any respect on account of the identity, authority or rights of the parties executing or delivering or purporting to execute or deliver the Grant Notice, the Agreement or any documents or papers deposited or called for hereunder.

10. You will not be liable for the outlawing of any rights under any statute of limitations with respect to these Joint Escrow Instructions or any documents deposited with you.

11. Your responsibilities as Escrow Agent hereunder will terminate if you cease to be Secretary of the Company or if you resign by written notice to the Company. In the event of any such termination, the Secretary of the Company will automatically become the successor Escrow Agent unless the Company appoints another successor Escrow Agent and Recipient hereby confirms the appointment of such successor as Recipient's attorney-in-fact and agent to the full extent of your appointment.

12. If you reasonably require other or further instruments in connection with these Joint Escrow Instructions or obligations in respect hereto, the necessary parties hereto will join in furnishing such instruments.

13. It is understood and agreed that should any dispute arise with respect to the delivery and/or ownership or right of possession of the securities, you are authorized and directed to retain in your possession without liability to anyone all or any part of said securities until such dispute has been settled either by mutual written agreement of the parties concerned or by a final order, decree or judgment of a court of competent jurisdiction after the time for appeal has expired and no appeal has been perfected, but you will be under no duty whatsoever to institute or defend any such proceedings.

14. Any notice or request required or permitted hereunder will be given in writing to each of the other parties hereto and will be deemed effectively given on the earlier of (i) the date of personal delivery, including delivery by express courier, or delivery via electronic means, or (ii) the date that is five days after deposit in the United States Post Office (whether or not actually received by the addressee), by registered or certified mail with postage and fees prepaid, addressed to each of the other parties hereunto entitled at the following addresses, or at such other addresses as a party may designate by 10 days' advance written notice to each of the other parties hereto:

Company: Candid Therapeutics, Inc.

Attn: Chief Executive Officer

Recipient: _____

Escrow Agent: Candid Therapeutics, Inc.

Attn: Corporate Secretary

15. By signing these Joint Escrow Instructions you become a party hereto only for the purpose of said Joint Escrow Instructions; you do not become a party to the Grant Notice or the Agreement.
16. You are entitled to employ such legal counsel, including without limitation Cooley LLP, and other experts as you may deem necessary to advise you in connection with your obligations hereunder. You may rely upon the advice of such counsel, and may pay such counsel reasonable compensation therefor.
17. This instrument will be binding upon and inure to the benefit of the parties hereto, and their respective successors and permitted assigns. It is understood and agreed that references to “you” or “your” herein refer to the original Escrow Agent and to any and all successor Escrow Agents. It is understood and agreed that the Company may at any time or from time to time assign its rights under the Grant Notice, the Agreement and these Joint Escrow Instructions in whole or in part.
18. These Joint Escrow Instructions will be governed by and interpreted and determined in accordance with the laws of the State of Delaware without regard to that state’s conflicts of laws rules. The parties hereby expressly consent to the personal jurisdiction of the state and federal courts located in the county in which the Company has its principal offices for any lawsuit arising from or related to this Agreement.

[Remainder of page intentionally left blank]

Very truly yours,

Candid Therapeutics, Inc.

By _____

Title _____

Recipient

(Signature)

(Print Name)

Escrow Agent:

(Signature)

(Print Name)

ATTACHMENT II
2024 EQUITY INCENTIVE PLAN

ATTACHMENT III
SECTION 83(B) ELECTION

SECTION 83(b) ELECTION

_____, 20__

Department of the Treasury
Internal Revenue Service
[City, State Zip]
Re: Election Under Section 83(b)

To Whom It May Concern:

The undersigned taxpayer hereby elects, pursuant to Section 83(b) of the Internal Revenue Code of 1986, as amended, to include in gross income as compensation for services the excess (if any) of the fair market value of the shares described below over the amount paid for those shares. The following information is supplied in accordance with Treasury Regulation § 1.83-2:

1. **The name, [social security number][taxpayer identification number], address of the undersigned, and the taxable year for which this election is being made are:**
Name: _____
[Social Security Number][Tax Identification Number]: _____
Address: _____
Taxable year: Calendar year ____.
2. **The property that is the subject of this election:** [#] shares of common stock of Candid Therapeutics, Inc., a Delaware corporation (the "*Company*").
3. **The property was transferred on:** [•].
4. **The property is subject to the following restrictions:** Some or all of the shares are subject to forfeiture or repurchase at less than their fair market value if the undersigned does not continue to provide services for the Company for a designated period of time. The risk of forfeiture or repurchase lapses over a specified vesting period.
5. **The fair market value of the property at the time of transfer (determined without regard to any restriction other than a nonlapse restriction as defined in Treasury Regulation § 1.83-3(h)):** \$[•] per share x [#] shares = \$[•].
6. **For the property transferred, the undersigned paid:** \$[•] per share x [#] shares = \$[•].
7. **The amount to include in gross income is:** \$[•].

The undersigned taxpayer will file this election with the Internal Revenue Service office with which taxpayer files taxpayer's annual income tax return not later than 30 days after the date of transfer of the property. A copy of the election also will be furnished to the person for whom the services were performed and the transferee of the property. Additionally, the undersigned will include a copy of the election with such person's income tax return for the taxable year in which the property is transferred. The undersigned is the person performing the services in connection with which the property was transferred.

Very truly yours,

[Name]

RETURN SERVICE REQUESTED

Department of the Treasury
Internal Revenue Service
[City, State, ZIP][_____ USA]

Re: **Election Under Section 83(b) of the Internal Revenue Code**

To Whom It May Concern:

Enclosed please find an executed form of election under Section 83(b) of the Internal Revenue Code of 1986, as amended, filed with respect to an interest in Candid Therapeutics, Inc.

[Please note, the undersigned does not currently have a Tax Identification Number because the undersigned is not a U.S. taxpayer, but may become a U.S. resident before the stock vests.]

Also enclosed is a copy of this letter and a stamped, self-addressed envelope. Please acknowledge receipt of these materials by marking the copy when received and returning it to the undersigned.

Thank you very much for your assistance.

Very truly yours,

[Name]

Enclosures

STOCK OPTION GRANT NOTICE
(2024 EQUITY INCENTIVE PLAN)

Candid Therapeutics, Inc. (the “**Company**”), pursuant to its 2024 Equity Incentive Plan (as amended and/or restated as of the Date of Grant set forth below, the “**Plan**”), has granted to Optionholder an option to purchase the number of shares of Common Stock set forth below (the “**Option**”). The Option is subject to all of the terms and conditions as set forth in this Stock Option Grant Notice (the “**Grant Notice**”) and in the Plan, the Option Agreement, and the Notice of Exercise, all of which are attached to this Grant Notice and incorporated into this Grant Notice in their entirety. Capitalized terms not explicitly defined in this Grant Notice but defined in the Plan or the Option Agreement shall have the meanings set forth in the Plan or the Option Agreement, as applicable. If the Company uses an electronic capitalization table system (such as Carta or Shareworks) and the fields below are blank or the information is otherwise provided in a different format electronically, the blank fields and other information (such as exercise schedule and type of grant) shall be deemed to come from the electronic capitalization system and is considered part of this Grant Notice.

Optionholder:	
Date of Grant:	
Vesting Commencement Date:	
Number of Shares Subject to Option:	
Exercise Price (Per Share):	
Total Exercise Price:	
Expiration Date:	
Exercise Schedule:	[Same as Vesting Schedule] [Early Exercise Permitted]
Type of Grant:	[Incentive Stock Option] [Nonstatutory Stock Option]

Vesting Schedule: [Sample of standard vesting. 12/48ths of the total shares will vest on the one-year anniversary of the Vesting Commencement Date, and 1/48th of the total shares will vest each month thereafter on the same day of the month as the Vesting Commencement Date (or if there is no corresponding day, on the last day of the month), subject to Optionholder’s Continuous Service as of each such date.]

Optionholder Acknowledgements: By Optionholder's signature below or by electronic acceptance or authentication in a form authorized by the Company, Optionholder understands and agrees that the Option is governed by this Stock Option Grant Notice, and the provisions of the Plan and the Option Agreement and the Notice of Exercise, all of which are made a part of this document.

By accepting this Option, Optionholder consents to receive this Grant Notice, the Option Agreement, the Plan, and any other Plan-related documents by electronic delivery and to participate in the Plan through an online or electronic system established and maintained by the Company or another third party designated by the Company. Optionholder represents that Optionholder has read and is familiar with the provisions of the Plan and the Option Agreement. Optionholder acknowledges and agrees that this Grant Notice and the Option Agreement may not be modified, amended or revised except in writing signed by Optionholder and a duly authorized officer of the Company.

Optionholder further acknowledges that in the event of any conflict between the provisions in this Grant Notice, the Option Agreement, the Notice of Exercise and the terms of the Plan, the terms of the Plan shall control. Optionholder further acknowledges that the Option Agreement sets forth the entire understanding between Optionholder and the Company regarding the acquisition of Common Stock and supersedes all prior oral and written agreements, promises and/or representations on that subject with the exception of other equity awards previously granted to Optionholder and any written employment agreement, offer letter, severance agreement, written severance plan or policy, or other written agreement between the Company and Optionholder in each case that specifies the terms that should govern this Option.

Optionholder further acknowledges that this Grant Notice has been prepared on behalf of the Company by Cooley LLP, counsel to the Company and that Cooley LLP does not represent, and is not acting on behalf of, Optionholder in any capacity. Optionholder has been provided with an opportunity to consult with Optionholder's own counsel with respect to this Grant Notice.

This Grant Notice may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act or other applicable law) or other transmission method and any counterpart so delivered will be deemed to have been duly and validly delivered and be valid and effective for all purposes.

Candid Therapeutics, Inc.

By: _____
(Signature)
Title: _____
Date: _____

Optionholder:

By: _____
(Signature)
Email: _____
Date: _____

Attachments: Option Agreement, 2024 Equity Incentive Plan and Notice of Exercise

ATTACHMENT I

OPTION AGREEMENT

2024 Equity Incentive Plan

OPTION AGREEMENT
(INCENTIVE STOCK OPTION OR NONSTATUTORY STOCK OPTION)

Pursuant to your Stock Option Grant Notice ("**Grant Notice**") and this Option Agreement, **Candid Therapeutics, Inc.** (the "**Company**") has granted you an option under its 2024 Equity Incentive Plan (the "**Plan**") to purchase the number of shares of the Company's Common Stock indicated in your Grant Notice at the exercise price indicated in your Grant Notice. The option is granted to you effective as of the date of grant set forth in the Grant Notice (the "**Date of Grant**"). If there is any conflict between the terms in this Option Agreement and the Plan, the terms of the Plan will control. Capitalized terms not explicitly defined in this Option Agreement or in the Grant Notice but defined in the Plan will have the same definitions as in the Plan.

The details of your option, in addition to those set forth in the Grant Notice and the Plan, are as follows:

- 1. Vesting.** Your option will vest as provided in your Grant Notice. Vesting will cease upon the termination of your Continuous Service.
- 2. Number of Shares and Exercise Price.** The number of shares of Common Stock subject to your option and your exercise price per share in your Grant Notice will be adjusted for Capitalization Adjustments.
- 3. Exercise Restriction for Non-Exempt Employees.** If you are an Employee eligible for overtime compensation under the Fair Labor Standards Act of 1938, as amended (that is, a "**Non-Exempt Employee**"), and except as otherwise provided in the Plan, you may not exercise your option until you have completed at least six months of Continuous Service measured from the Date of Grant, even if you have already been an employee for more than six months. Consistent with the provisions of the Worker Economic Opportunity Act, you may exercise your option as to any vested portion prior to such six month anniversary in the case of (i) your death or disability, (ii) a Corporate Transaction in which your option is not assumed, continued or substituted, (iii) a Change in Control or (iv) your termination of Continuous Service on your "retirement" (as defined in the Company's benefit plans).
- 4. Exercise prior to Vesting ("Early Exercise").** If permitted in your Grant Notice (*i.e.*, the "Exercise Schedule" indicates "Early Exercise Permitted") and subject to the provisions of your option, you may elect at any time that is both (i) during the period of your Continuous Service and (ii) during the term of your option, to exercise all or part of your option, including the unvested portion of your option; *provided, however*, that:
 - a.** a partial exercise of your option will be deemed to cover first vested shares of Common Stock and then the earliest vesting installment of unvested shares of Common Stock;
 - b.** any shares of Common Stock so purchased from installments that have not vested as of the date of exercise will be subject to the purchase option in favor of the Company as described in the Company's form of Early Exercise Stock Purchase Agreement;

c. you will enter into the Company's form of Early Exercise Stock Purchase Agreement with a vesting schedule that will result in the same vesting as if no early exercise had occurred; and

d. if your option is an Incentive Stock Option, then, to the extent that the aggregate Fair Market Value (determined at the Date of Grant) of the shares of Common Stock with respect to which your option plus all other Incentive Stock Options you hold are exercisable for the first time by you during any calendar year (under all plans of the Company and its Affiliates) exceeds \$100,000, your option(s) or portions thereof that exceed such limit (according to the order in which they were granted) will be treated as Nonstatutory Stock Options.

5. Method of Payment. You must pay the full amount of the exercise price for the shares you wish to exercise. The permitted methods of payment are as follows:

a. by cash, check, bank draft, electronic funds transfer or money order payable to the Company;

b. subject to Company and/or Board consent at the time of exercise and provided that at the time of exercise the Common Stock is publicly traded, pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board that, prior to the issuance of Common Stock, results in either the receipt of cash (or check) by the Company or the receipt of irrevocable instructions to pay the aggregate exercise price to the Company from the sales proceeds. This manner of payment is also known as a "broker-assisted exercise", "same day sale", or "sell to cover";

c. subject to Company and/or Board consent at the time of exercise and provided that at the time of exercise the Common Stock is publicly traded, by delivery to the Company (either by actual delivery or attestation) of already-owned shares of Common Stock that are owned free and clear of any liens, claims, encumbrances or security interests, and that are valued at Fair Market Value on the date of exercise. "Delivery" for these purposes, in the sole discretion of the Company at the time you exercise your option, will include delivery to the Company of your attestation of ownership of such shares of Common Stock in a form approved by the Company. You may not exercise your option by delivery to the Company of Common Stock if doing so would violate the provisions of any law, regulation or agreement restricting the redemption of the Company's stock;

d. subject to Company and/or Board consent at the time of exercise, and provided that the Option is a Nonstatutory Stock Option, by a "net exercise" arrangement pursuant to which the Company will reduce the number of shares of Common Stock issued upon exercise of the Option by the largest whole number of shares with a Fair Market Value that does not exceed the aggregate exercise price plus, to the extent permitted by the Company and/or Board at the time of exercise, the aggregate withholding obligations in respect of the Option exercise; provided, further that you must pay any remaining balance of the aggregate exercise price not satisfied by the "net exercise" in cash or other permitted form of payment. Shares of Common Stock will no longer be subject to the Option and will not be exercisable thereafter to the extent that (A) shares issuable upon exercise are used to pay the exercise price pursuant to the "net exercise," (B) shares are delivered to you as a result of such exercise, and (C) shares are withheld to satisfy tax withholding obligations;

e. subject to the consent of the Company and/or Board at the time of exercise, according to a deferred payment or similar arrangement with you; *provided, however*, that interest will compound at least annually and will be charged at the minimum rate of interest necessary to avoid (A) the imputation of interest income to the Company and compensation income to the Optionholder under any applicable provisions of the Code, and (B) the classification of the Option as a liability for financial accounting purposes; or

f. in any other form of legal consideration that may be acceptable to the Board.

6. Whole Shares. You may exercise your option only for whole shares of Common Stock.

7. Securities Law Compliance. In no event may you exercise your option unless the shares of Common Stock issuable upon exercise are then registered under the Securities Act or, if not registered, the Company has determined that your exercise and the issuance of the shares would be exempt from the registration requirements of the Securities Act. The exercise of your option also must comply with all other applicable laws and regulations governing your option, and you may not exercise your option if the Company determines that such exercise would not be in material compliance with such laws and regulations (including any restrictions on exercise required for compliance with Treas. Reg. 1.401(k)-1(d)(3), if applicable).

8. Term. You may not exercise your option before the Date of Grant or after the expiration of the option's term. Except as set forth in your Grant Notice, the term of your option expires, subject to the provisions of Section 5(h) of the Plan, upon the earliest of the following:

- a. immediately upon the termination of your Continuous Service for Cause;
- b. three months after the termination of your Continuous Service for any reason other than Cause, your Disability or your death (except as otherwise provided in Section 8(d) below); *provided, however*, that if during any part of such three month period your option is not exercisable solely because of the condition set forth in the section above relating to "Securities Law Compliance," your option will not expire until the earlier of the Expiration Date or until it has been exercisable for an aggregate period of three months after the termination of your Continuous Service; *provided further*, that if (i) you are a Non-Exempt Employee, (ii) your Continuous Service terminates within six months after the Date of Grant, and (iii) you have vested in a portion of your option at the time of your termination of Continuous Service, your option will not expire until the earlier of (x) the later of (A) the date that is seven months after the Date of Grant, and (B) the date that is three months after the termination of your Continuous Service, and (y) the Expiration Date;
- c. 12 months after the termination of your Continuous Service due to your Disability (except as otherwise provided in Section 8(d)) below;
- d. 18 months after your death if you die either during your Continuous Service or within three (3) months after your Continuous Service terminates for any reason other than Cause;
- e. the Expiration Date indicated in your Grant Notice; or
- f. the day before the 10th anniversary of the Date of Grant.

If your option is an Incentive Stock Option, note that to obtain the federal income tax advantages associated with an Incentive Stock Option, the Code requires that at all times beginning on the Date of Grant and ending on the day three months before the date of your option's exercise, you must be an employee of the Company or an Affiliate, except in the event of your death or Disability. The Company has provided for extended exercisability of your option under certain circumstances for your benefit but cannot guarantee that your option will necessarily be treated as an Incentive Stock Option if you continue to provide services to the Company or an Affiliate as a Consultant or Director after your employment terminates or if you otherwise exercise your option more than three months after the date your employment with the Company or an Affiliate terminates.

9. Exercise.

a. You may exercise the vested portion of your option (and the unvested portion of your option if your Grant Notice so permits) during its term by delivering a Notice of Exercise (in a form designated by the Company) together with the exercise price to the Secretary of the Company, or to such other person as the Company may designate, during regular business hours. If required by the Company, your exercise may be made contingent on your execution of any additional documents specified by the Company as more fully set forth in Section 14 below.

b. By exercising your option you agree that, as a condition to any exercise of your option, the Company may require you to enter into an arrangement providing for the payment by you to the Company of any tax withholding obligation of the Company arising by reason of (i) the exercise of your option, (ii) the lapse of any substantial risk of forfeiture to which the shares of Common Stock are subject at the time of exercise, or (iii) the disposition of shares of Common Stock acquired upon such exercise.

c. If your option is an Incentive Stock Option, by exercising your option you agree that you will notify the Company in writing within 15 days after the date of any disposition of any of the shares of the Common Stock issued upon exercise of your option that occurs within two years after the Date of Grant or within one year after such shares of Common Stock are transferred upon exercise of your option.

d. By exercising your option you agree that you will not sell, dispose of, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale with respect to any shares of Common Stock or other securities of the Company held by you, for a period of 180 days following the effective date of a registration statement of the Company filed under the Securities Act or such longer period as the underwriters or the Company will request to facilitate compliance with applicable FINRA rules (the “**Lock-Up Period**”); *provided, however*, that nothing contained in this section will prevent the exercise of a repurchase option, if any, in favor of the Company during the Lock-Up Period. You further agree to execute and deliver such other agreements as may be reasonably requested by the Company or the underwriters that are consistent with the foregoing or that are necessary to give further effect thereto. In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to your shares of Common Stock until the end of such period. You also agree that any transferee of any shares of Common Stock (or other securities) of the Company held by you will be bound by this Section 9(d). The underwriters of the Company’s stock are intended third party beneficiaries of this Section 9(d) and will have the right, power and authority to enforce the provisions hereof as though they were a party hereto. You further agree that the obligations contained in this Section 9(d) shall also, if so determined by the Company’s Board of Directors, apply in (1) the Company’s initial listing of its Common Stock on a national securities exchange by means of a registration statement on Form S-1 under the Securities Act (or any successor registration form under the Securities Act subsequently adopted by the Securities and Exchange Commission) filed by the Company with the Securities and Exchange Commission that registers shares of existing capital stock of the Company for resale (a “**Direct Listing**”), and (2) the Company’s completion of a merger or consolidation with a special purpose acquisition company or its subsidiary in which the Common Stock (or similar securities) of the surviving or parent entity are publicly traded in a public offering pursuant to an effective registration statement under the Securities Act, *provided*, in each case, that all holders of at least 5% of the Company’s outstanding Common Stock (after giving effect to the conversion into Common Stock of any outstanding Preferred Stock of the Company) are subject to substantially similar obligations with respect to such Direct Listing, merger or consolidation, as applicable.

10. Transferability. Except as otherwise provided in this Section 10, your option is not transferable, except by will or by the laws of descent and distribution, and is exercisable during your life only by you.

a. Certain Trusts. Upon receiving written permission from the Board or its duly authorized designee, you may transfer your option to a trust if you are considered to be the sole beneficial owner (determined under Section 671 of the Code and applicable state law) while the option is held in the trust. You and the trustee must enter into transfer and other agreements required by the Company.

b. Domestic Relations Orders. Upon receiving written permission from the Board or its duly authorized designee, and provided that you and the designated transferee enter into transfer and other agreements required by the Company, you may transfer your option pursuant to the terms of a domestic relations order, official marital settlement agreement or other divorce or separation instrument as permitted by Treasury Regulation 1.421-1(b)(2) that contains the information required by the Company to effectuate the transfer. You are encouraged to discuss the proposed terms of any division of this option with the Company prior to finalizing the domestic relations order or marital settlement agreement to help ensure the required information is contained within the domestic relations order or marital settlement agreement. If this option is an Incentive Stock Option, this option may be deemed to be a Nonstatutory Stock Option as a result of such transfer.

c. Beneficiary Designation. Upon receiving written permission from the Board or its duly authorized designee, you may, by delivering written notice to the Company, in a form approved by the Company and any broker designated by the Company to handle option exercises, designate a third party who, on your death, will thereafter be entitled to exercise this option and receive the Common Stock or other consideration resulting from such exercise. In the absence of such a designation, your executor or administrator of your estate will be entitled to exercise this option and receive, on behalf of your estate, the Common Stock or other consideration resulting from such exercise.

11. Option not a Service Contract. Your option is not an employment or service contract, and nothing in your option will be deemed to create in any way whatsoever any obligation on your part to continue in the employ of the Company or an Affiliate, or of the Company or an Affiliate to continue your employment. In addition, nothing in your option will obligate the Company or an Affiliate, their respective stockholders, boards of directors, officers or employees to continue any relationship that you might have as a Director or Consultant for the Company or an Affiliate.

12. Withholding Obligations.

a. At the time you exercise your option, in whole or in part, and at any time thereafter as requested by the Company, you hereby authorize withholding from payroll and any other amounts payable to you, and otherwise agree to make adequate provision for (including by means of a "same day sale" pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board to the extent permitted by the Company), any sums required to satisfy the federal, state, local and foreign tax withholding obligations of the Company or an Affiliate, if any, which arise in connection with the exercise of your option.

b. If this option is a Nonstatutory Stock Option, then upon your request and subject to approval by the Company, and compliance with any applicable legal conditions or restrictions, the Company may withhold from fully vested shares of Common Stock otherwise issuable to you upon the exercise of your option a number of whole shares of Common Stock having a Fair Market Value, determined by the Company as of the date of exercise, not in excess of the minimum amount of tax required

to be withheld by law (or such lower amount as may be necessary to avoid classification of your option as a liability for financial accounting purposes). If the date of determination of any tax withholding obligation is deferred to a date later than the date of exercise of your option, share withholding pursuant to the preceding sentence will not be permitted unless you make a proper and timely election under Section 83(b) of the Code, covering the aggregate number of shares of Common Stock acquired upon such exercise with respect to which such determination is otherwise deferred, to accelerate the determination of such tax withholding obligation to the date of exercise of your option. Notwithstanding the filing of such election, shares of Common Stock will be withheld solely from fully vested shares of Common Stock determined as of the date of exercise of your option that are otherwise issuable to you upon such exercise. Any adverse consequences to you arising in connection with such share withholding procedure will be your sole responsibility.

c. You may not exercise your option unless the tax withholding obligations of the Company and/or any Affiliate are satisfied. Accordingly, you may not be able to exercise your option when desired even though your option is vested, and the Company will have no obligation to issue a certificate for such shares of Common Stock or release such shares of Common Stock from any escrow provided for herein, if applicable, unless such obligations are satisfied.

13. Tax Consequences. You hereby agree that the Company does not have a duty to design or administer the Plan or its other compensation programs in a manner that minimizes your tax liabilities. You will not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates related to tax liabilities arising from your option or your other compensation. In particular, you acknowledge that this option is exempt from Section 409A of the Code only if the exercise price per share specified in the Grant Notice is at least equal to the "fair market value" per share of the Common Stock on the Date of Grant and there is no other impermissible deferral of compensation associated with the option. Because the Common Stock is not traded on an established securities market, the Fair Market Value is determined by the Board, perhaps in consultation with an independent valuation firm retained by the Company. You acknowledge that there is no guarantee that the Internal Revenue Service will agree with the valuation as determined by the Board, and you will not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates in the event that the Internal Revenue Service asserts that the valuation determined by the Board is less than the "fair market value" as subsequently determined by the Internal Revenue Service.

14. Imposition of Other Requirements. You agree to execute further documents or instruments necessary or desirable in the sole determination of the Company to carry out the purposes or intent of this option. You further agree to execute, to the extent requested by the Company, at any time and from time to time, any agreements entered into with holders of capital stock of the Company, including without limitation a right of first refusal and co-sale agreement, stockholders agreement and/or a voting agreement.

15. Notices. Any notices provided for in your option or the Plan will be given in writing (including electronically) and will be deemed effectively given upon receipt or, in the case of notices delivered by mail by the Company to you, five days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company. The Company may, in its sole discretion, decide to deliver any documents related to participation in the Plan and this option by electronic means or to request your consent to participate in the Plan by electronic means. By accepting this option, you consent to receive such documents by electronic delivery and to participate in the Plan through an online or electronic system established and maintained by the Company or another third party designated by the Company.

16. Governing Plan Document. Your option is subject to all the provisions of the Plan, the provisions of which are hereby made a part of your option, and is further subject to all interpretations, amendments, rules and regulations, which may from time to time be promulgated and adopted pursuant to the Plan. If there is any conflict between the provisions of your option and those of the Plan, the provisions of the Plan will control.

ATTACHMENT II

2024 Equity Incentive Plan

ATTACHMENT III

NOTICE OF EXERCISE

CANDID THERAPEUTICS, INC.
NOTICE OF EXERCISE

This constitutes notice to **Candid Therapeutics, Inc.** (the “**Company**”) under my stock option that I elect to purchase the below number of shares of Common Stock of the Company (the “**Shares**”) for the price set forth below. Use of certain payment methods is subject to Company and/or Board consent and certain additional requirements set forth in the Option Agreement and the Plan. If the Company uses an electronic capitalization table system (such as Carta or Shareworks) and the fields below are blank, the blank fields shall be deemed to come from the electronic capitalization system and is considered part of this Notice of Exercise.

Option Information

Type of option (check one):

Incentive ☐

Nonstatutory ☐

Stock option dated:

Number of Shares as to which option is exercised:

Certificates to be issued in name of:

Exercise Information

Date of Exercise:

Total exercise price:

Cash:

Regulation T Program (cashless exercise):

Value of _____ Shares delivered with this notice:

Value of _____ Shares pursuant to net exercise:

By this exercise, I agree (i) to provide such additional documents as you may require pursuant to the terms of the 2024 Equity Incentive Plan, (ii) to provide for the payment by me to you (in the manner designated by you) of your withholding obligation, if any, relating to the exercise of this option, (iii) if this exercise relates to an incentive stock option, to notify you in writing within 15 days after the date of any disposition of any of the Shares issued upon exercise of this option that occurs within two years after the date of grant of this option or within one year after such Shares are issued upon exercise of this option, and (iv) to execute, if and when requested by the Company, at any time or from time to time, any agreements entered into with holders of capital stock of the Company, including without limitation a right of first refusal and co-sale agreement, stockholders agreement and/or a voting agreement. I further agree that this Notice of Exercise may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act or other applicable law) or other transmission method and will be deemed to have been duly and validly delivered and be valid and effective for all purposes.

I hereby make the following certifications and representations with respect to the number of Shares listed above, which are being acquired by me for my own account upon exercise of the option as set forth above:

I acknowledge that the Shares have not been registered under the Securities Act of 1933, as amended (the “**Securities Act**”), and are deemed to constitute “restricted securities” under Rule 701 and Rule 144 promulgated under the Securities Act. I warrant and represent to the Company that I have no present intention of distributing or selling said Shares, except as permitted under the Securities Act and any applicable state securities laws.

I further acknowledge and agree that, except for such information as required to be delivered to me by the Company pursuant to the option or the Plan (if any), I will have no right to receive any information from the Company by virtue of the grant of the option or the purchase of shares of Common Stock through exercise of the option, ownership of such shares of Common Stock, or as a result of my being a holder of record of stock of the Company. Without limiting the foregoing, to the fullest extent permitted by law, I hereby waive all inspection rights under Section 220 of the Delaware General Corporation Law and all such similar information and/or inspection rights that may be provided under the law of any jurisdiction, or any federal, state or foreign regulation, that are, or may become, applicable to the Company or the Company’s capital stock (the “**Inspection Rights**”). I hereby covenant and agree never to directly or indirectly commence, voluntarily aid in any way, prosecute, assign, transfer, or cause to be commenced any claim, action, cause of action, or other proceeding to pursue or exercise the Inspection Rights.

I further acknowledge that I will not be able to resell the Shares for at least 90 days after the stock of the Company becomes publicly traded (*i.e.*, subject to the reporting requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934) under Rule 701 and that more restrictive conditions apply to affiliates of the Company under Rule 144.

I further acknowledge that all certificates representing any of the Shares subject to the provisions of the option will have endorsed thereon appropriate legends reflecting the foregoing limitations, as well as any legends reflecting restrictions pursuant to the Company’s Certificate of Incorporation, Bylaws and/or applicable securities laws.

I further agree that, if required by the Company (or a representative of the underwriters) in connection with the first underwritten registration of the offering of any securities of the Company under the Securities Act, I will not sell, dispose of, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale with respect to any shares of Common Stock or other securities of the Company for a period of 180 days following the effective date of a registration statement of the Company filed under the Securities Act (or such longer period as the underwriters or the Company will request to facilitate compliance with applicable FINRA rules) (the “**Lock-Up Period**”). I further agree to execute and deliver such other agreements as may be reasonably requested by the Company or the underwriters that are consistent with the foregoing or that are necessary to give further effect thereto. In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to securities subject to the foregoing restrictions until the end of such period. I further agree that the obligations contained in this paragraph shall also, if so determined by the Company’s Board of Directors, apply in (1) the Company’s initial listing of its Common Stock on a national securities exchange by means of a registration statement on Form S-1 under the Securities Act (or any successor registration form under the Securities Act subsequently adopted by the Securities and Exchange Commission) filed by the Company with the Securities and Exchange Commission that registers shares of existing capital stock of the Company for resale (a “**Direct Listing**”), and (2) the Company’s completion of a merger or consolidation with a special purpose acquisition company or its subsidiary in which the Common Stock (or similar securities) of the surviving or parent entity are publicly traded in a public offering pursuant to an effective registration statement under the Securities Act, *provided*, in each case, that all holders of at least 5% of the Company’s outstanding Common Stock (after giving effect to the conversion into Common Stock of any outstanding Preferred Stock of the Company) are subject to substantially similar obligations with respect to such Direct Listing, merger or consolidation, as applicable.

Very truly yours,

(Signature)

Name (Please Print)

Address of Record:

Email:

EARLY EXERCISE STOCK PURCHASE AGREEMENT
UNDER THE 2024 EQUITY INCENTIVE PLAN

This Agreement is made by and between **Candid Therapeutics, Inc.**, a Delaware corporation (the “**Company**”), and the individual designated on the signature page hereto as a Purchaser (“**Purchaser**”).

Recitals:

A. Purchaser holds a stock option, granted on _____, to purchase _____ shares of common stock (“**Common Stock**”) of the Company (the “**Option**”) pursuant to the Company’s 2024 Equity Incentive Plan (as amended and/or restated, the “**Plan**”).

B. The Option consists of a Stock Option Grant Notice and a Stock Option Agreement.

C. Purchaser desires to exercise the Option on the terms and conditions contained herein.

D. Purchaser wishes to take advantage of the early exercise provision of Purchaser’s Option and therefore to enter into this Agreement.

The parties agree as follows:

1. Incorporation of Plan and Option by Reference. This Agreement is subject to all of the terms and conditions as set forth in the Plan and the Option. If there is a conflict between the terms of this Agreement and/or the Option and the terms of the Plan, the terms of the Plan will control. If there is a conflict between the terms of this Agreement and the terms of the Option, the terms of the Option will control. Defined terms not explicitly defined in this Agreement but defined in the Plan will have the same definitions as in the Plan. Defined terms not explicitly defined in this Agreement or the Plan but defined in the Option will have the same definitions as in the Option.

2. Purchase and Sale of Common Stock.

a. Agreement to purchase and sell Common Stock. Purchaser hereby agrees to purchase from the Company, and the Company hereby agrees to sell to Purchaser, shares of the Common Stock of the Company in accordance with the Notice of Exercise duly executed by Purchaser and attached hereto as Exhibit A.

b. Closing. The closing hereunder, including payment for and delivery of the Common Stock, will occur at the offices of the Company immediately following the execution of this Agreement, or at such other time and place as the parties may mutually agree; *provided, however*, that if stockholder approval of the Plan is required before the Option may be exercised, then the Option may not be exercised, and the closing will be delayed, until such stockholder approval is obtained. If such stockholder approval is not obtained within the time limit specified in the Plan, then this Agreement is null and void.

3. Unvested Share Repurchase Option.

a. Repurchase Option. In the event Purchaser’s Continuous Service terminates, then the Company has an irrevocable option (the “**Repurchase Option**”) for a period of six months after said termination (or in the case of shares issued upon exercise of the Option after such date of termination, within six months after the date of the exercise), or such longer period as may be agreed to by the Company and Purchaser (the “**Repurchase Period**”), to repurchase from Purchaser or Purchaser’s personal representative, as the case may be, those shares that Purchaser received pursuant to the exercise of the Option that have not as yet vested as of such termination date in accordance with the Vesting Schedule indicated on Purchaser’s Stock Option Grant Notice (the “**Unvested Shares**”).

b. Share Repurchase Price. The Company may repurchase all or any of the Unvested Shares at the lower of (i) the Fair Market Value of the such shares (as determined under the Plan) on the date of repurchase, or (ii) the price equal to Purchaser's Exercise Price for such shares as indicated on Purchaser's Stock Option Grant Notice.

4. Exercise of Repurchase Option. The Repurchase Option will be exercised by written notice signed by such person as designated by the Company, and delivered or mailed as provided herein. Such notice will identify the number of shares of Common Stock to be purchased and will notify Purchaser of the time, place and date for settlement of such purchase, which will be scheduled by the Company within the term of the Repurchase Option set forth above. In addition, the Company will be deemed to have exercised the Repurchase Option as of the last day of the Repurchase Period, unless an officer of the Company notifies the holder of the Unvested Shares during the Repurchase Period in writing (delivered or mailed as provided herein) that the Company expressly declines to exercise its Repurchase Option for some or all of the Unvested Shares. The Company will be entitled to pay for any shares of Common Stock purchased pursuant to its Repurchase Option at the Company's option in cash or by offset against any indebtedness owing to the Company by Purchaser (including without limitation any Promissory Note given in payment for the Common Stock), or by a combination of both. Upon exercise of the Repurchase Option and payment of the purchase price in any of the ways described above, the Company will become the legal and beneficial owner of the Common Stock being repurchased and all rights and interest therein or related thereto, and the Company will have the right to transfer to its own name the Common Stock being repurchased by the Company, without further action by Purchaser.

5. Capitalization Adjustments to Common Stock. In the event of a Capitalization Adjustment, then any and all new, substituted or additional securities or other property to which Purchaser is entitled by reason of Purchaser's ownership of Common Stock will be immediately subject to the Repurchase Option and be included in the word "Common Stock" for all purposes of the Repurchase Option with the same force and effect as the shares of the Common Stock presently subject to the Repurchase Option, but only to the extent the Common Stock is, at the time, covered by such Repurchase Option. While the total Option Price will remain the same after each such event, the Option Price per share of Common Stock upon exercise of the Repurchase Option will be appropriately adjusted.

6. Corporate Transactions. In the event of a Corporate Transaction, then the Repurchase Option may be assigned by the Company to the successor of the Company (or such successor's parent company), if any, in connection with such Corporate Transaction. To the extent the Repurchase Option remains in effect following such Corporate Transaction, it will apply to the new capital stock or other property received in exchange for the Common Stock in consummation of the Corporate Transaction, but only to the extent the Common Stock was at the time covered by such right. Appropriate adjustments will be made to the price per share payable upon exercise of the Repurchase Option to reflect the Corporate Transaction upon the Company's capital structure; *provided, however*, that the aggregate price payable upon exercise of the Repurchase Option remains the same.

7. Escrow of Unvested Common Stock. As security for Purchaser's faithful performance of the terms of this Agreement and to insure the availability for delivery of Purchaser's Common Stock upon exercise of the Repurchase Option herein provided for, Purchaser agrees, at the closing hereunder, to deliver to and deposit with the Secretary of the Company or the Secretary's designee ("**Escrow Agent**"), as Escrow Agent in this transaction, three stock assignments duly endorsed (with date and number of shares blank) in

the form attached hereto as Exhibit B, together with a certificate or certificates evidencing all of the Common Stock subject to the Repurchase Option; said documents are to be held by the Escrow Agent and delivered by said Escrow Agent pursuant to the Joint Escrow Instructions of the Company and Purchaser set forth in Exhibit C, attached hereto and incorporated by this reference, which instructions also will be delivered to the Escrow Agent at the closing hereunder.

8. Rights of Purchaser. Subject to the provisions of the Option, Purchaser will exercise all rights and privileges of a stockholder of the Company with respect to the shares deposited in escrow. Purchaser will be deemed to be the holder of the shares for purposes of receiving any dividends that may be paid with respect to such shares and for purposes of exercising any voting rights relating to such shares, even if some or all of such shares have not yet vested and been released from the Company's Repurchase Option.

9. Limitations on Transfer. In addition to any other limitation on transfer created by applicable securities laws, Purchaser will not sell, assign, hypothecate, donate, encumber or otherwise dispose of any interest in the Common Stock while the Common Stock is subject to the Repurchase Option. After any Common Stock has been released from the Repurchase Option, Purchaser will not sell, assign, hypothecate, donate, encumber or otherwise dispose of any interest in the Common Stock except in compliance with the provisions herein and applicable securities laws. Furthermore, the Common Stock is subject to any right of first refusal in favor of the Company or its assignees or other transfer restrictions that may be contained in the Company's Bylaws.

10. Restrictive Legends. All certificates representing the Common Stock will have endorsed thereon legends in substantially the following forms (in addition to any other legend which may be required by other agreements between the parties hereto):

a. "THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO AN OPTION AND OTHER RESTRICTIONS AND CONDITIONS SET FORTH IN AN AGREEMENT BETWEEN THE COMPANY AND THE REGISTERED HOLDER, OR SUCH HOLDER'S PREDECESSOR IN INTEREST, A COPY OF WHICH IS ON FILE AT THE PRINCIPAL OFFICE OF THIS COMPANY. ANY TRANSFER OR ATTEMPTED TRANSFER OF ANY SHARES SUBJECT TO SUCH OPTION IS VOID WITHOUT THE PRIOR EXPRESS WRITTEN CONSENT OF THE COMPANY."

b. "THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 AS AMENDED. THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT AS TO THE SECURITIES UNDER SAID ACT OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED."

c. "THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A RIGHT OF FIRST REFUSAL OPTION IN FAVOR OF THE COMPANY AND/OR ITS ASSIGNEE(S) AS PROVIDED IN THE BYLAWS OF THE COMPANY AND IN AN AGREEMENT WITH THE COMPANY."

d. "THE SHARES REPRESENTED BY THIS CERTIFICATE WERE ISSUED PURSUANT TO THE EXERCISE OF [AN INCENTIVE STOCK OPTION/ A NONSTATUTORY STOCK OPTION]."

e. "THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A TRANSFER RESTRICTION, AS PROVIDED IN THE BYLAWS OF THE COMPANY."

f. Any legend required by appropriate blue sky officials.

11. Investment Representations. In connection with the purchase of the Common Stock, Purchaser represents to the Company the following:

a. Purchaser is aware of the Company's business affairs and financial condition and has acquired sufficient information about the Company to reach an informed and knowledgeable decision to acquire the Common Stock. Purchaser is acquiring the Common Stock for investment for Purchaser's own account only and not with a view to, or for resale in connection with, any "distribution" thereof within the meaning of the Securities Act.

b. Purchaser understands that the Common Stock has not been registered under the Securities Act by reason of a specific exemption therefrom, which exemption depends upon, among other things, the bona fide nature of Purchaser's investment intent as expressed herein.

c. Purchaser further acknowledges and understands that the Common Stock must be held indefinitely unless the Common Stock is subsequently registered under the Securities Act or an exemption from such registration is available. Purchaser further acknowledges and understands that the Company is under no obligation to register the Common Stock. Purchaser understands that the certificate evidencing the Common Stock will be imprinted with a legend that prohibits the transfer of the Common Stock unless the Common Stock is registered or such registration is not required in the opinion of counsel for the Company.

d. Purchaser is familiar with the provisions of Rules 144 and 701, under the Securities Act, as in effect from time to time, which, in substance, permit limited public resale of "restricted securities" acquired, directly or indirectly, from the issuer thereof (or from an affiliate of such issuer), in a non-public offering subject to the satisfaction of certain conditions. Rule 701 provides that if the issuer qualifies under Rule 701 at the time of issuance of the securities, such issuance will be exempt from registration under the Securities Act. In the event the Company becomes subject to the reporting requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the securities exempt under Rule 701 may be sold by Purchaser 90 days thereafter, subject to the satisfaction of certain of the conditions specified by Rule 144 and the market stand-off provision described in Purchaser's Stock Option Agreement.

e. In the event that the sale of the Common Stock does not qualify under Rule 701 at the time of purchase, then the Common Stock may be resold by Purchaser in certain limited circumstances subject to the provisions of Rule 144, which requires, among other things: (i) the availability of certain public information about the Company, and (ii) the resale occurring following the required holding period under Rule 144 after Purchaser has purchased, and made full payment of (within the meaning of Rule 144), the securities to be sold.

f. Purchaser further understands that at the time Purchaser wishes to sell the Common Stock there may be no public market upon which to make such a sale, and that, even if such a public market then exists, the Company may not be satisfying the current public current information requirements of Rule 144 or 701, and that, in such event, Purchaser would be precluded from selling the Common Stock under Rule 144 or 701 even if the minimum holding period requirement had been satisfied.

g. Purchaser further warrants and represents that Purchaser has either (i) preexisting personal or business relationships, with the Company or any of its officers, directors or controlling persons, or (ii) the capacity to protect Purchaser's own interests in connection with the purchase of the Common Stock by virtue of the business or financial expertise of Purchaser or of professional advisors to Purchaser who are unaffiliated with and who are not compensated by the Company or any of its affiliates, directly or indirectly. Purchaser further warrants and represents that Purchaser's purchase of the Common Stock was not accomplished by the publication of any advertisement.

12. Section 83(b) Election. Purchaser understands that Section 83(a) of the Code taxes as ordinary income the difference between the amount paid for the Common Stock and the fair market value of the Common Stock as of the date any restrictions on the Common Stock lapse. In this context, "restriction" includes the right of the Company to buy back the Common Stock pursuant to the Repurchase Option set forth above. Purchaser understands that Purchaser may elect to be taxed at the time the Common Stock is purchased, rather than when and as the Repurchase Option expires, by filing an election under Section 83(b) (an "**83(b) Election**") of the Code with the Internal Revenue Service within 30 days of the date of purchase, a copy of which is included as Exhibit D. Even if the fair market value of the Common Stock at the time of the execution of this Agreement equals the amount paid for the Common Stock, the 83(b) Election must be made to avoid income under Section 83(a) in the future. Purchaser understands that failure to file such an 83(b) Election in a timely manner may result in adverse tax consequences for Purchaser. Purchaser further understands that Purchaser must file an additional copy of such 83(b) Election with Purchaser's federal income tax return for the calendar year in which the date of this Agreement falls. Purchaser acknowledges that the foregoing is only a summary of the effect of United States federal income taxation with respect to purchase of the Common Stock hereunder, and does not purport to be complete. Purchaser further acknowledges that the Company has directed Purchaser to seek independent advice regarding the applicable provisions of the Code, the income tax laws of any municipality, state or foreign country in which Purchaser may reside, and the tax consequences of Purchaser's death. Purchaser assumes all responsibility for filing an 83(b) Election and paying all taxes resulting from such election or the lapse of the restrictions on the Common Stock.

13. Refusal to Transfer. The Company is not required (a) to transfer on its books any shares of Common Stock of the Company which have been transferred in violation of any of the provisions set forth in this Agreement, or (b) to treat as owner of such shares or to accord the right to vote as such owner or to pay dividends to any transferee to whom such shares have been so transferred.

14. No Employment Rights. This Agreement is not an employment contract and nothing in this Agreement affects in any manner whatsoever the right or power of the Company or its Affiliates to terminate Purchaser's employment for any reason at any time, with or without cause and with or without notice.

15. Miscellaneous.

a. Notices. All notices required or permitted hereunder will be in writing and will be deemed effectively given: (i) upon personal delivery to the party to be notified, (ii) when sent by confirmed electronic mail or facsimile if sent during normal business hours of the recipient, and if not sent during normal business hours of the recipient, then on the next business day, (iii) five calendar days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (iv) one business day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications will be sent to the other party to this Agreement at such party's address set forth on the signature page hereof, or at such other address as such party may designate by 10 days' advance written notice to the other party hereto.

b. Successors and Assigns. This Agreement will inure to the benefit of the successors and assigns of the Company and, subject to the restrictions on transfer herein set forth, be binding upon Purchaser, Purchaser's successors, and assigns. The Company may assign the Repurchase Option hereunder at any time or from time to time, in whole or in part.

c. Attorneys' Fees; Specific Performance. Purchaser will reimburse the Company for all costs incurred by the Company in enforcing the performance of, or protecting its rights under, any part of this Agreement, including reasonable costs of investigation and attorneys' fees. It is the intention of the parties that the Company, upon exercise of the Repurchase Option and payment for the shares repurchased, pursuant to the terms of this Agreement, will be entitled to receive the Common Stock, *in specie*, in order to have such Common Stock available for future issuance without dilution of the holdings of other stockholders. Furthermore, it is expressly agreed between the parties that money damages are inadequate to compensate the Company for the Common Stock and that the Company will, upon proper exercise of the Repurchase Option, be entitled to specific enforcement of its rights to purchase and receive said Common Stock.

d. Governing Law; Venue. This Agreement will be governed by and construed in accordance with the laws of the State of Delaware. The parties agree that any action brought by either party to interpret or enforce any provision of this Agreement will be brought in, and each party agrees to, and does hereby, submit to the jurisdiction and venue of, the appropriate state or federal court for the district encompassing the Company's principal place of business.

e. Further Execution. The parties agree to take all such further action(s) as may reasonably be necessary to carry out and consummate this Agreement as soon as practicable, and to take whatever steps may be necessary to obtain any governmental approval in connection with or otherwise qualify the issuance of the securities that are the subject of this Agreement. Purchaser further agrees to execute, to the extent requested by the Company, at any time or from time to time, any agreements entered into with holders of capital stock of the Company, including without limitation a right of first refusal and co-sale agreement, stockholders agreement and/or a voting agreement.

f. Independent Counsel. Purchaser acknowledges that this Agreement has been prepared on behalf of the Company by Cooley LLP, counsel to the Company and that Cooley LLP does not represent, and is not acting on behalf of, Purchaser in any capacity. Purchaser has been provided with an opportunity to consult with Purchaser's own counsel with respect to this Agreement.

g. Entire Agreement; Amendment. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes and merges all prior agreements or understandings, whether written or oral. This Agreement may not be amended, modified or revoked, in whole or in part, except by an agreement in writing signed by each of the parties hereto.

h. Severability. If one or more provisions of this Agreement are held to be unenforceable under applicable law, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision will be excluded from this Agreement, (ii) the balance of the Agreement will be interpreted as if such provision were so excluded and (iii) the balance of the Agreement will be enforceable in accordance with its terms.

i. Counterparts. This Agreement may be executed in two or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act or other applicable law) or other transmission method and any counterpart so delivered will be deemed to have been duly and validly delivered and be valid and effective for all purposes.

[Remainder of page intentionally left blank]

The parties hereto have executed this Agreement as of _____.

COMPANY:

CANDID THERAPEUTICS, INC.

By: _____

Name: _____

Title: _____

Address: _____

Email: _____

PURCHASER:

(Signature)

Name (Please Print)

Address

Email

ATTACHMENTS:

Exhibit A	Notice of Exercise
Exhibit B	Assignment Separate from Certificate
Exhibit C	Joint Escrow Instructions
Exhibit D	Form of 83(b) Election

[Signature Page to Early Exercise Stock Purchase Agreement]

EXHIBIT A

NOTICE OF EXERCISE

CANDID THERAPEUTICS, INC.
NOTICE OF EXERCISE

This constitutes notice to **Candid Therapeutics, Inc.** (the “**Company**”) under my stock option that I elect to purchase the below number of shares of Common Stock of the Company (the “**Shares**”) for the price set forth below. Use of certain payment methods is subject to Company and/or Board consent and certain additional requirements set forth in the Option Agreement and the Plan. If the Company uses an electronic capitalization table system (such as Carta or Shareworks) and the fields below are blank, the blank fields shall be deemed to come from the electronic capitalization system and is considered part of this Notice of Exercise.

Option Information

Type of option (check one):	Incentive ☐	Nonstatutory ☐
Stock option dated:		
Number of Shares as to which option is exercised:		
Certificates to be issued in name of:		

Exercise Information

Date of Exercise:	
Total exercise price:	
Cash:	
Regulation T Program (cashless exercise):	
Value of _____ Shares delivered with this notice:	
Value of _____ Shares pursuant to net exercise:	

By this exercise, I agree (i) to provide such additional documents as you may require pursuant to the terms of the 2024 Equity Incentive Plan, (ii) to provide for the payment by me to you (in the manner designated by you) of your withholding obligation, if any, relating to the exercise of this option, (iii) if this exercise relates to an incentive stock option, to notify you in writing within 15 days after the date of any disposition of any of the Shares issued upon exercise of this option that occurs within two years after the date of grant of this option or within one year after such Shares are issued upon exercise of this option, and (iv) to execute, if and when requested by the Company, at any time or from time to time, any agreements entered into with holders of capital stock of the Company, including without limitation a right of first refusal and co-sale agreement, stockholders agreement and/or a voting agreement. I further agree that this Notice of Exercise may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act or other applicable law) or other transmission method and will be deemed to have been duly and validly delivered and be valid and effective for all purposes.

I hereby make the following certifications and representations with respect to the number of Shares listed above, which are being acquired by me for my own account upon exercise of the option as set forth above:

I acknowledge that the Shares have not been registered under the Securities Act of 1933, as amended (the “**Securities Act**”), and are deemed to constitute “restricted securities” under Rule 701 and Rule 144 promulgated under the Securities Act. I warrant and represent to the Company that I have no present intention of distributing or selling said Shares, except as permitted under the Securities Act and any applicable state securities laws.

I further acknowledge and agree that, except for such information as required to be delivered to me by the Company pursuant to the option or the Plan (if any), I will have no right to receive any information from the Company by virtue of the grant of the option or the purchase of shares of Common Stock through exercise of the option, ownership of such shares of Common Stock, or as a result of my being a holder of record of stock of the Company. Without limiting the foregoing, to the fullest extent permitted by law, I hereby waive all inspection rights under Section 220 of the Delaware General Corporation Law and all such similar information and/or inspection rights that may be provided under the law of any jurisdiction, or any federal, state or foreign regulation, that are, or may become, applicable to the Company or the Company’s capital stock (the “**Inspection Rights**”). I hereby covenant and agree never to directly or indirectly commence, voluntarily aid in any way, prosecute, assign, transfer, or cause to be commenced any claim, action, cause of action, or other proceeding to pursue or exercise the Inspection Rights.

I further acknowledge that I will not be able to resell the Shares for at least 90 days after the stock of the Company becomes publicly traded (*i.e.*, subject to the reporting requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934) under Rule 701 and that more restrictive conditions apply to affiliates of the Company under Rule 144.

I further acknowledge that all certificates representing any of the Shares subject to the provisions of the option will have endorsed thereon appropriate legends reflecting the foregoing limitations, as well as any legends reflecting restrictions pursuant to the Company's Certificate of Incorporation, Bylaws and/or applicable securities laws.

I further agree that, if required by the Company (or a representative of the underwriters) in connection with the first underwritten registration of the offering of any securities of the Company under the Securities Act, I will not sell, dispose of, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale with respect to any shares of Common Stock or other securities of the Company for a period of 180 days following the effective date of a registration statement of the Company filed under the Securities Act (or such longer period as the underwriters or the Company will request to facilitate compliance with applicable FINRA rules) (the "**Lock-Up Period**"). I further agree to execute and deliver such other agreements as may be reasonably requested by the Company or the underwriters that are consistent with the foregoing or that are necessary to give further effect thereto. In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to securities subject to the foregoing restrictions until the end of such period. I further agree that the obligations contained in this paragraph shall also, if so determined by the Company's Board of Directors, apply in (1) the Company's initial listing of its Common Stock on a national securities exchange by means of a registration statement on Form S-1 under the Securities Act (or any successor registration form under the Securities Act subsequently adopted by the Securities and Exchange Commission) filed by the Company with the Securities and Exchange Commission that registers shares of existing capital stock of the Company for resale (a "**Direct Listing**"), and (2) the Company's completion of a merger or consolidation with a special purpose acquisition company or its subsidiary in which the Common Stock (or similar securities) of the surviving or parent entity are publicly traded in a public offering pursuant to an effective registration statement under the Securities Act, *provided*, in each case, that all holders of at least 5% of the Company's outstanding Common Stock (after giving effect to the conversion into Common Stock of any outstanding Preferred Stock of the Company) are subject to substantially similar obligations with respect to such Direct Listing, merger or consolidation, as applicable.

Very truly yours,

(Signature)

Name (Please Print)

Address of Record: _____

Email: _____

EXHIBIT B

STOCK ASSIGNMENT SEPARATE FROM CERTIFICATE

For Value Received, the undersigned hereby sells, assigns and transfers unto **Candid Therapeutics, Inc.**, a Delaware corporation (the “**Company**”), pursuant to the Repurchase Option under that certain Early Exercise Stock Purchase Agreement, dated [____], by and between the undersigned and the Company (the “**Agreement**”) _____ shares of Common Stock of the Company standing in the undersigned’s name on the books of the Company represented by Certificate No[s] _____ and does hereby irrevocably constitute and appoint both the Company’s Secretary and the Company’s attorney, or either of them, to transfer said stock on the books of the Company with full power of substitution in the premises. This Assignment may be used only in accordance with and subject to the terms and conditions of the Agreement, in connection with the repurchase of shares of Common Stock issued to the undersigned pursuant to the Agreement, and only to the extent that such shares remain subject to the Company’s Repurchase Option under the Agreement.

Dated: _____
(leave blank)

(Signature)

Name (Please Print)

Instruction: Please do not fill in any blanks other than the signature line. Do not fill in the date line. The purpose of this Assignment is to enable the Company to exercise its Repurchase Option set forth in the Agreement without requiring additional signatures on the part of Purchaser.

EXHIBIT C

JOINT ESCROW INSTRUCTIONS

JOINT ESCROW INSTRUCTIONS

_____, 20__

Secretary
Candid Therapeutics, Inc.

As Escrow Agent for both **Candid Therapeutics, Inc.**, a Delaware corporation ("**Company**") and the purchaser listed on the signature page hereto ("**Purchaser**"), you are hereby authorized and directed to hold the documents delivered to you pursuant to the terms of that certain Early Exercise Stock Purchase Agreement dated as of _____ ("**Agreement**"), to which a copy of these Joint Escrow Instructions is attached as an Exhibit, in accordance with the following instructions:

1. In the event Company or an assignee elects to exercise the Repurchase Option set forth in the Agreement, the Company or its assignee will give to Purchaser and you a written notice specifying the number of shares of stock to be acquired and the time for a closing thereunder at the principal office of the Company. Purchaser and the Company hereby irrevocably authorize and direct you to close the transaction contemplated by such notice in accordance with the terms of said notice.

2. At the closing, you are directed (a) to date the stock assignments necessary for the transfer in question, (b) to fill in the number of shares being transferred, and (c) to deliver the same, together with the certificate evidencing the shares of stock to be transferred, to the Company.

3. Purchaser irrevocably authorizes the Company to deposit with you any certificates evidencing shares of stock to be held by you hereunder and any additions and substitutions to said shares as specified in the Agreement. Purchaser does hereby irrevocably constitute and appoint you as Purchaser's attorney-in-fact and agent for the term of this escrow to execute with respect to such securities all documents necessary or appropriate to make such securities negotiable and complete any transaction herein contemplated, including but not limited to any appropriate filing with state or government officials or bank officials. Subject to the provisions of this paragraph 3, Purchaser will exercise all rights and privileges of a stockholder of the Company while the stock is held by you.

4. This escrow terminates and the shares of stock held hereunder are released in full upon the exercise or expiration in full of the Repurchase Option, whichever occurs first.

5. If at the time of termination of this escrow under Section 4 herein you should have in your possession any documents, securities, or other property belonging to Purchaser, you will deliver all of the same to Purchaser and will be discharged of all further obligations hereunder; *provided, however*, that if at the time of termination of this escrow you are advised by the Company that any property subject to this escrow is the subject of a pledge or other security agreement, you will deliver all such property to the pledgeholder or other person designated by the Company.

6. Except as otherwise provided in these Joint Escrow Instructions, your duties hereunder may be altered, amended, modified or revoked only by a writing signed by all of the parties hereto.

7. You are obligated only for the performance of such duties as are specifically set forth herein and may rely and are protected in relying or refraining from acting on any instrument reasonably believed by you to be genuine and to have been signed or presented by the proper party or parties. You are not personally liable for any act you may do or omit to do hereunder as Escrow Agent or as attorney-in-fact for Purchaser while acting in good faith and in the exercise of your own good judgment, and any act done or omitted by you pursuant to the advice of your own attorneys is conclusive evidence of such good faith.

8. You are hereby expressly authorized to disregard any and all warnings given by any of the parties hereto or by any other person or entity, excepting only orders or process of courts of law, and are hereby expressly authorized to comply with and obey orders, judgments or decrees of any court. In case you obey or comply with any such order, judgment or decree of any court, you are not liable to any of the parties hereto or to any other person, firm or corporation by reason of such compliance, notwithstanding any such order, judgment or decree being subsequently reversed, modified, annulled, set aside, vacated or found to have been entered without jurisdiction.

9. You are not liable in any respect on account of the identity, authorities or rights of the parties executing or delivering or purporting to execute or deliver these Joint Escrow Instructions documents or papers deposited or called for hereunder.

10. You are not liable for the outlawing of any rights under any statute of limitations with respect to these Joint Escrow Instructions or any documents deposited with you.

11. Your responsibilities as Escrow Agent hereunder terminate if you cease to be Secretary of the Company or if you resign by written notice to the Company. In the event of any such termination, the Secretary of the Company will automatically become the successor Escrow Agent unless the Company appoints another successor Escrow Agent, and Purchaser hereby confirms the appointment of such successor as Purchaser's attorney-in-fact and agent to the full extent of your appointment.

12. If you reasonably require other or further instruments in connection with these Joint Escrow Instructions or obligations in respect hereto, the necessary parties hereto will join in furnishing such instruments.

13. It is understood and agreed that should any dispute arise with respect to the delivery and/or ownership or right of possession of the securities held by you hereunder, you are authorized and directed to retain in your possession without liability to anyone all or any part of said securities until such dispute has been settled either by mutual written agreement of the parties concerned or by a final order, decree or judgment of a court of competent jurisdiction after the time for appeal has expired and no appeal has been perfected, but you will be under no duty whatsoever to institute or defend any such proceedings.

14. All notices required or permitted hereunder will be in writing and will be deemed effectively given: (a) upon personal delivery, including delivery by express courier, or delivery by electronic means, to the party to be notified, (b) when sent by confirmed facsimile if sent during normal business hours of the recipient, and if not during normal business hours of the recipient, then on the next business day, (c) five calendar days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one business day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications will be sent to the other party hereto at such party's address set forth below, or at such other address as such party may designate by 10 days advance written notice to the other party hereto.

Company: Candid Therapeutics, Inc.

Attn: Chief Executive Officer

Purchaser: _____

Escrow Agent: Candid Therapeutics, Inc.

Attn: Secretary

15. By signing these Joint Escrow Instructions, you become a party hereto only for the purpose of said Joint Escrow Instructions; you do not become a party to the Agreement.

16. You are entitled to employ such legal counsel and other experts (including, without limitation, the firm of Cooley LLP) as you may deem necessary properly to advise you in connection with your obligations hereunder. You may rely upon the advice of such counsel, and you may pay such counsel reasonable compensation therefor.

17. This instrument is binding upon and inures to the benefit of the parties hereto and their respective successors and permitted assigns. It is understood and agreed that references to “you” and “your” herein refer to the original Escrow Agents and to any and all successor Escrow Agents. It is understood and agreed that the Company may at any time or from time to time assign its rights under the Agreement and these Joint Escrow Instructions in whole or in part.

18. These Joint Escrow Instructions are governed by and interpreted and determined in accordance with the laws of the State of Delaware, as such laws are applied by Delaware courts to contracts made and to be performed entirely in Delaware by residents of that state. The parties hereby expressly consent to the personal jurisdiction of the state and federal courts located in the county in which the Company has its principal offices for any lawsuit arising from or related to this Agreement.

[Remainder of page intentionally left blank]

Very truly yours,

COMPANY:
Candid Therapeutics, Inc.

By: _____
Name: _____
Title: _____

PURCHASER:

(Signature)

Name (Please Print)

Escrow Agent:

Brian Q Hoang, Secretary

EXHIBIT D

83(b) ELECTION

Department of the Treasury
Internal Revenue Service
[City, State Zip] [_____] USA
Re: Election Under Section 83(b)

To Whom It May Concern:

The undersigned taxpayer hereby elects, pursuant to Section 83(b) of the Internal Revenue Code of 1986, as amended, to include in gross income as compensation for services the excess (if any) of the fair market value of the shares described below over the amount paid for those shares. The following information is supplied in accordance with Treasury Regulation § 1.83-2:

1. **The name, [social security number][taxpayer identification number], address of the undersigned, and the taxable year for which this election is being made are:**
Name: _____
[Social Security Number][Tax Identification Number]: _____
Address: _____
Taxable year: Calendar year ____.
2. **The property that is the subject of this election:** [#] shares of common stock of Candid Therapeutics, Inc., a Delaware corporation (the "*Company*").
3. **The property was transferred on:** [•].
4. **The property is subject to the following restrictions:** Some or all of the shares are subject to forfeiture or repurchase at less than their fair market value if the undersigned does not continue to provide services for the Company for a designated period of time. The risk of forfeiture or repurchase lapses over a specified vesting period.
5. **The fair market value of the property at the time of transfer (determined without regard to any restriction other than a nonlapse restriction as defined in Treasury Regulation § 1.83-3(h)):** \$[•] per share x [#] shares = \$[•].
6. **For the property transferred, the undersigned paid:** \$[•] per share x [#] shares = \$[•].
7. **The amount to include in gross income is:** \$[•].

The undersigned taxpayer will file this election with the Internal Revenue Service office with which taxpayer files taxpayer's annual income tax return not later than 30 days after the date of transfer of the property. A copy of the election also will be furnished to the person for whom the services were performed and the transferee of the property. Additionally, the undersigned will include a copy of the election with such person's income tax return for the taxable year in which the property is transferred. The undersigned is the person performing the services in connection with which the property was transferred.

Very truly yours,

[Name]

RETURN SERVICE REQUESTED

Department of the Treasury
Internal Revenue Service
[City, State, ZIP][_____ USA]

Re: **Election Under Section 83(b) of the Internal Revenue Code**

To Whom It May Concern:

Enclosed please find an executed form of election under Section 83(b) of the Internal Revenue Code of 1986, as amended, filed with respect to an interest in Candid Therapeutics, Inc.

[Please note, the undersigned does not currently have a Tax Identification Number because the undersigned is not a U.S. taxpayer, but may become a U.S. resident before the stock vests.]

Also enclosed is a copy of this letter and a stamped, self-addressed envelope. Please acknowledge receipt of these materials by marking the copy when received and returning it to the undersigned.

Thank you very much for your assistance.

Very truly yours,

[Name]

Enclosures

CANDID THERAPEUTICS, INC.

FORM OF COMMON STOCK PURCHASE AGREEMENT

This Common Stock Purchase Agreement (the “*Agreement*”) is made as of [] by and between **Candid Therapeutics, Inc.**, a Delaware corporation (the “*Company*”) and [] (“*Purchaser*”). Certain capitalized terms used below are defined in the terms and conditions set forth in **Exhibit A** attached to this Agreement, which are incorporated by reference.

Total shares of Stock purchased: [] shares of Common Stock of the Company (the “*Stock*”)
Purchase Price per share: \$0.0001
Total Purchase Price: \$[]
Form of Payment: Cash: \$[]

Vesting Schedule:

[] shares of the Stock (the “*Unvested Shares*”) are subject to the Repurchase Option as of the date of this Agreement. On the date 12 months from [] (the “*Vesting Anniversary Date*”), 12/48ths of the Unvested Shares will vest and be released from the Repurchase Option; thereafter, 1/48th of the Unvested Shares will vest and be released from the Repurchase Option on a monthly basis on the same day of the month as the Vesting Anniversary Date (or if there is no corresponding day, on the last day of the month), until all the Unvested Shares are released from the Repurchase Option (provided in each case that Purchaser remains a Service Provider as of the date of such release).

Acceleration Provisions:

If within one month before or 12 months following a Change in Control, (i) Purchaser’s services in all capacities as a Service Provider are involuntarily terminated without Cause, or (ii) Purchaser resigns Purchaser’s service in all capacities as a Service Provider for Good Reason, and in either case other than as a result of death or disability, and provided such termination constitutes a “separation from service” within the meaning of Treasury Regulation Section 1.409A-1(h), the Repurchase Option will lapse as to 100% of the Unvested Shares and such Unvested Shares will immediately become fully vested.

[Remainder of page intentionally left blank]

Common Stock Purchase Agreement

[]

Page 1

Additional Terms/Acknowledgements: The undersigned Purchaser acknowledges receipt of, and understands and agrees to, this Common Stock Purchase Agreement, including the terms and conditions set forth in **Exhibit A** attached to this Agreement, which are incorporated by reference.

COMPANY:

Candid Therapeutics, Inc.

By: _____
Name:
Title:
Email: _____
Address: _____

PURCHASER:

[]

(Signature)
Email: _____
Address: []

TERMS AND CONDITIONS INCORPORATED INTO
COMMON STOCK PURCHASE AGREEMENT

1. Purchase and Sale of Stock. Purchaser agrees to purchase from the Company, and the Company agrees to sell to Purchaser, the number of shares of Stock for the consideration set forth in the cover page to this Agreement. The closing of the transactions contemplated by this Agreement, including payment for and delivery of the Stock, will occur at the offices of the Company immediately following the execution of this Agreement, or at such other time and place as the parties may mutually agree.

2. Investment Representations. In connection with the purchase of the Stock, Purchaser represents to the Company the following:

(a) Purchaser is aware of the Company's business affairs and financial condition and has acquired sufficient information about the Company to reach an informed and knowledgeable decision to acquire the Stock. Purchaser is purchasing the Stock for investment for Purchaser's own account only and not with a view to, or for resale in connection with, any "distribution" thereof within the meaning of the Securities Act of 1933, as amended (the "*Act*").

(b) Purchaser understands that the Stock has not been registered under the Act by reason of a specific exemption therefrom, which exemption depends upon, among other things, the bona fide nature of Purchaser's investment intent as expressed in this Agreement.

(c) Purchaser further acknowledges and understands that the Stock must be held indefinitely unless the Stock is subsequently registered under the Act or an exemption from such registration is available. Purchaser further acknowledges and understands that the Company is under no obligation to register the Stock. Purchaser understands that the certificate evidencing the Stock will be imprinted with a legend that prohibits the transfer of the Stock unless the Stock is registered or such registration is not required in the opinion of counsel for the Company.

(d) Purchaser is familiar with the provisions of Rule 144 under the Act as in effect from time to time, that, in substance, permits limited public resale of "restricted securities" acquired, directly or indirectly, from the issuer of such securities (or from an affiliate of such issuer), in a non-public offering subject to the satisfaction of certain conditions.

(e) Purchaser further understands that at the time Purchaser wishes to sell the Stock there may be no public market upon which to make such a sale, and that, even if such a public market then exists, the Company may not be satisfying the current public information requirements of Rule 144, and that, in such event, Purchaser may be precluded from selling the Stock under Rule 144 even if the minimum holding period requirement had been satisfied.

(f) Purchaser further warrants and represents that Purchaser has either (i) preexisting personal or business relationships, with the Company or any of its officers, directors or controlling persons, or (ii) the capacity to protect Purchaser's own interests in connection with the purchase of the Stock by virtue of the business or financial expertise of Purchaser or of professional advisors to Purchaser who are unaffiliated with and who are not compensated by the Company or any of its affiliates, directly or indirectly.

(g) Purchaser acknowledges that Purchaser has read all tax related sections and further acknowledges Purchaser has had an opportunity to consult Purchaser's own tax, legal and financial advisors regarding the purchase of common stock under this Agreement.

Exhibit A to Common Stock Purchase Agreement

[]

Page 1

(h) Purchaser acknowledges and agrees that in making the decision to purchase the common stock under this Agreement, Purchaser has not relied on any statement, whether written or oral, regarding the subject matter of this Agreement, except as expressly provided in this Agreement and in the attachments and exhibits to this Agreement.

(i) If the Purchaser is not a United States person (as defined by Section 7701(a)(30) of the Internal Revenue Code of 1986, as amended (the “Code”)), the Purchaser has satisfied itself as to the full observance of the laws of its jurisdiction in connection with any invitation to subscribe for the Stock or any use of this Agreement, including (i) the legal requirements within its jurisdiction for the purchase of the Stock, (ii) any foreign exchange restrictions applicable to such purchase, (iii) any governmental or other consents that may need to be obtained and (iv) the income tax and other tax consequences, if any, that may be relevant to the purchase, holding, redemption, sale, or transfer of the Stock. The Purchaser’s subscription and payment for and continued beneficial ownership of the Stock will not violate any applicable securities or other laws of the Purchaser’s jurisdiction.

3. Restrictive Legends. All certificates representing the Stock will have endorsed thereon legends in substantially the following forms (in addition to any other legend which may be required by other agreements between the parties to this Agreement):

(a) “THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 AS AMENDED. THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT AS TO THE SECURITIES UNDER SAID ACT OR AN OPINION OF COUNSEL SATISFACTORY TO THE CORPORATION THAT SUCH REGISTRATION IS NOT REQUIRED.”

(b) “THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A RIGHT OF FIRST REFUSAL OPTION IN FAVOR OF THE CORPORATION AND/OR ITS ASSIGNEE(S) AS PROVIDED IN THE BYLAWS OF THE CORPORATION.”

(c) “THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A TRANSFER RESTRICTION, AS PROVIDED IN THE BYLAWS OF THE CORPORATION.”

(d) “THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO AN OPTION AND OTHER RESTRICTIONS AND CONDITIONS SET FORTH IN AN AGREEMENT BETWEEN THE CORPORATION AND THE REGISTERED HOLDER, OR SUCH HOLDER’S PREDECESSOR IN INTEREST, A COPY OF WHICH IS ON FILE AT THE PRINCIPAL OFFICE OF THE CORPORATION. ANY TRANSFER OR ATTEMPTED TRANSFER OF ANY SHARES SUBJECT TO SUCH OPTION IS VOID WITHOUT THE PRIOR EXPRESS WRITTEN CONSENT OF THE CORPORATION.”

(e) “THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO CERTAIN OBLIGATIONS WITH RESPECT TO FUTURE SECURITYHOLDERS’ AGREEMENTS SET FORTH IN AN AGREEMENT BETWEEN THE CORPORATION AND THE REGISTERED HOLDER, OR SUCH HOLDER’S PREDECESSOR IN INTEREST, A COPY OF WHICH IS ON FILE AT THE PRINCIPAL OFFICE OF THE CORPORATION.”

(f) Any legend required by applicable blue sky laws.

Exhibit A to Common Stock Purchase Agreement

[]
Page 2

4. Market Stand-Off Agreement. Purchaser will not sell, dispose of, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale of, any Common Stock or other securities of the Company held by Purchaser (other than those included in the registration), including the Stock (the “**Restricted Securities**”), during the 180-day period following the effective date of the Company’s first firm commitment underwritten public offering of its Common Stock (or such longer period as the underwriters or the Company will request in order to facilitate compliance with applicable FINRA rules) (the “**Lock Up Period**”), *provided, however*, that nothing contained in this Section 4 will prevent the exercise of the Repurchase Option during the Lock Up Period. Purchaser agrees to execute and deliver such other agreements as may be reasonably requested by the Company and/or the managing underwriters that are consistent with the foregoing or that are necessary to give further effect to the foregoing provision. In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to Purchaser’s Restricted Securities until the end of such period. The underwriters of the Company’s stock are intended third party beneficiaries of this Section 4 and have the right, power and authority to enforce the provisions hereof as though they were a party to this Agreement. The obligations contained in this Section 4 will also, if so determined by the Company’s Board of Directors, apply in (1) the Company’s initial listing of its Common Stock on a national securities exchange by means of a registration statement on Form S-1 under the Act (or any successor registration form under the Act subsequently adopted by the Securities and Exchange Commission) filed by the Company with the Securities and Exchange Commission that registers shares of existing capital stock of the Company for resale (a “**Direct Listing**”), and (2) the Company’s completion of a merger or consolidation with a special purpose acquisition company or its subsidiary in which the Common Stock (or similar securities) of the surviving or parent entity are publicly traded in a public offering pursuant to an effective registration statement under the Act, *provided*, in each case, that all holders of at least 5% of the Company’s outstanding Common Stock (after giving effect to the conversion into Common Stock of any outstanding Preferred Stock) are subject to substantially similar obligations with respect to such Direct Listing, merger or consolidation, as applicable.

5. Repurchase Option. The following provisions apply to the Unvested Shares, as provided in the cover page to this Agreement (the “**Vesting Provisions**”):

(a) **Repurchase Option.** In the event Purchaser’s relationship with the Company (or a parent or subsidiary of the Company) terminates for any reason (including death or disability), or for no reason, with or without cause, such that after such termination Purchaser is no longer providing services to the Company (or a parent or subsidiary of the Company) as an employee, director, consultant or advisor (a “**Service Provider**”), then the Company will have an irrevocable option (the “**Repurchase Option**”) for a period of 120 days after said termination (the “**Repurchase Period**”) to repurchase from Purchaser or Purchaser’s personal representative, as the case may be, at the lower of (i) the Purchase Price per share as provided in the cover page to this Agreement, or (ii) the Fair Market Value per share of such Unvested Shares as of the date of repurchase (such lower price, the “**Option Price**”), up to but not exceeding the number of Unvested Shares that have not vested in accordance with the Vesting Provisions as of such termination date. The Repurchase Option will be exercised as provided in Section 5(b). For purposes of the Repurchase Option, the “**Fair Market Value**” means the value of the Unvested Shares as determined in good faith by the Company’s Board of Directors. The term of the Repurchase Option will be extended to such longer period (A) as may be agreed to by the Company and the Purchaser, or (B) as needed to ensure the stock issued by the Company does not lose its status as “qualified small business stock” under Section 1202 of the Code. **Purchaser acknowledges that the Company has no obligation, either now or in the future, to repurchase any of the shares of Common Stock, whether vested or unvested, at any time. Further, Purchaser acknowledges and understands that, in the event that the Company repurchases shares, the repurchase price may be less than the price Purchaser originally paid and that Purchaser bears any risk associated with the potential loss in value.**

Exhibit A to Common Stock Purchase Agreement

[]
Page 3

(b) Exercise of Repurchase Option. The Company, or any assignee or assignees of the Company, may exercise the Repurchase Option by giving notice to the holder of the Unvested Shares during the Repurchase Period in writing. Notwithstanding the foregoing, the Company will be deemed to have exercised the Repurchase Option as of the last day of the Repurchase Period, unless an officer of the Company gives notice to the holder of the Unvested Shares during the Repurchase Period in writing that the Company expressly declines to exercise its Repurchase Option for some or all of the Unvested Shares. Upon exercise of the Repurchase Option, the Company will pay to the holder of the Unvested Shares the Option Price for the Unvested Shares being repurchased. The Company is entitled to pay for any Unvested Shares purchased pursuant to its Repurchase Option at the Company's option in cash or by offset against any indebtedness owing to the Company by Purchaser (including without limitation any Note given in payment for the Unvested Shares), or by a combination of both. Upon exercise of the Repurchase Option and payment of the purchase price in any of the ways described above, the Company will become the legal and beneficial owner of the Unvested Shares being repurchased and all rights and interest in or related to the Unvested Shares, and the Company will have the right to transfer to its own name the Unvested Shares being repurchased by the Company, without further action by Purchaser. The certificate(s) representing the Unvested Shares that have been repurchased by the Company will be delivered to the Company. It is expressly agreed between the parties that money damages are inadequate to compensate the Company for the Unvested Shares and that the Company will, upon proper exercise of the Repurchase Option, be entitled to specific enforcement of its rights to purchase and receive said Unvested Shares.

(c) Adjustments to Unvested Shares. If, from time to time, during the term of the Repurchase Option there is any change affecting the Company's outstanding Common Stock as a class that is effected without the receipt of consideration by the Company (through merger, consolidation, reorganization, reincorporation, stock dividend, dividend in property other than cash, stock split, liquidating dividend, combination of shares, change in corporation structure or other transaction not involving the receipt of consideration by the Company), then any and all new, substituted or additional securities or other property to which Purchaser is entitled by reason of Purchaser's ownership of Unvested Shares will be immediately subject to the Repurchase Option and be included in the meaning of "Unvested Shares" for all purposes of the Repurchase Option with the same force and effect as the Unvested Shares presently subject to the Repurchase Option, but only to the extent the Unvested Shares are, at the time, covered by such Repurchase Option. While the total Option Price will remain the same after each such event, the Option Price of the Unvested Shares upon exercise of the Repurchase Option will be appropriately adjusted.

(d) Corporate Transaction. In the event of (a) an Acquisition (as defined below); or (b) an Asset Transfer (as defined below) ((a) and (b) being collectively referred to in the Agreement as a "**Corporate Transaction**"), then the Repurchase Option will be assigned by the Company to any successor of the Company (or the successor's parent) in connection with such Corporate Transaction. To the extent that the Repurchase Option remains in effect following such a Corporate Transaction, it will apply to the new capital stock or other property received in exchange for the Unvested Shares in consummation of the Corporate Transaction, but only to the extent the Unvested Shares are at the time covered by such right. Appropriate adjustments will be made to the Option Price per share payable upon exercise of the Repurchase Option to reflect the effect of the Corporate Transaction upon the Company's capital structure; *provided, however*, that the aggregate Option Price will remain the same. For the purposes of this Section 5(d): (i) "**Acquisition**" means (A) any consolidation or merger of the Company with or into any other corporation or other entity or person, or any other corporate reorganization; or (B) any transaction or series of related transactions to which the Company is a party in which in excess of 50% of the Company's voting power is transferred; and (ii) "**Asset Transfer**" means a sale, lease, exclusive license or other disposition of all or substantially all of the assets of the Company.

(e) Termination of Repurchase Option. Sections 5(a) through 5(d) of this Agreement will terminate upon the exercise in full or expiration of the Repurchase Option, whichever occurs first.

(f) **Escrow of Unvested Shares.** As security for Purchaser's faithful performance of the terms of this Agreement and to insure the availability for delivery of Purchaser's Unvested Shares upon exercise of the Repurchase Option herein provided for, Purchaser agrees, at the closing hereunder, to deliver to and deposit with the Secretary of the Company or the Secretary's designee, including the person or entity named in Joint Escrow Instructions of the Company and Purchaser attached to this Agreement as **Exhibit B** and incorporated by this reference ("**Joint Escrow Instructions**"), as Escrow Agent in this transaction ("**Escrow Agent**"), one stock assignment duly endorsed (with date and number of shares blank) in the form attached to this Agreement as **Exhibit C**, together with a certificate or certificates evidencing all Unvested Shares that are subject to the Repurchase Option; said documents are to be held by the Escrow Agent and delivered by said Escrow Agent pursuant to the Joint Escrow Instructions, which instructions will also be delivered to the Escrow Agent at the closing hereunder. Purchaser acknowledges that the Escrow Agent is so appointed as the escrow holder with the foregoing authorities as a material inducement to make this Agreement and that said appointment is coupled with an interest and is accordingly irrevocable. Purchaser agrees that Escrow Agent is not liable to any party hereof (or to any other party). Escrow Agent may rely upon any letter, notice or other document executed by any signature purported to be genuine and may resign at any time. Purchaser agrees that if the Escrow Agent resigns as Escrow Agent for any or no reason, the Board of Directors of the Company has the power to appoint a successor to serve as Escrow Agent pursuant to the terms of this Agreement. Purchaser agrees that if the Secretary of the Company resigns as Secretary, the successor Secretary will serve as Escrow Agent pursuant to the terms of this Agreement.

(g) **Rights of Purchaser.** Subject to the provisions of Sections 4, 5(f), 5(h) and 5(j) in this Agreement, Purchaser will exercise all rights and privileges of a stockholder of the Company with respect to the Unvested Shares deposited in escrow. Purchaser will be deemed to be the holder for purposes of receiving any dividends that may be paid with respect to such Unvested Shares and for the purpose of exercising any voting rights relating to such Unvested Shares, even if some or all of such Unvested Shares have not yet vested and been released from the Repurchase Option.

(h) **Limitations on Transfer.** In addition to any other limitation on transfer created by applicable securities laws, Purchaser will not assign, hypothecate, donate, encumber or otherwise dispose of any interest in the Unvested Shares while the Unvested Shares are subject to the Repurchase Option. After any Unvested Shares have been released from the Repurchase Option, Purchaser will not assign, hypothecate, donate, encumber or otherwise dispose of any interest in the Unvested Shares except in compliance with the provisions herein, the Company's Bylaws and any other agreement to which the Purchaser is a party and applicable securities laws. Furthermore, the Unvested Shares will be subject to any right of first refusal in favor of the Company or its assignees that may be contained in the Company's Bylaws. **Purchaser further acknowledges that Purchaser may be required to hold the Common Stock purchased hereunder indefinitely. During the period of time during which the Purchaser holds the Common Stock, the value of the Common Stock may increase or decrease, and any risk associated with such Common Stock and such fluctuation in value will be borne by the Purchaser.**

(i) **Section 83(b) Election.** Purchaser understands that, pursuant to Section 83(a) of the Code, the difference between the amount paid for the Unvested Shares and the fair market value of the Unvested Shares as of the date any restrictions on the Unvested Shares lapse will be taxed as ordinary income earned by Purchaser as of the date of such lapse. In this context, "restriction" includes the right of the Company to buy back the Unvested Shares pursuant to the Repurchase Option set forth above. Purchaser understands that Purchaser may elect to be taxed at the time the Unvested Shares are purchased, rather than when and as the Repurchase Option expires, by filing an election under Section 83(b) (an "**83(b) Election**") of the Code with the Internal Revenue Service within 30 days from the date of purchase, a form of which has been provided in connection with this Agreement. Even if the fair market value of the Unvested Shares at the time of the execution of this Agreement equals the amount paid for the Unvested Shares, the 83(b) Election must be made to avoid income under Section 83(a) in the future. Purchaser understands that failure to file

Exhibit A to Common Stock Purchase Agreement

[]
Page 5

such an 83(b) Election in a timely manner may result in adverse tax consequences for Purchaser. Purchaser further understands that an additional copy of such 83(b) Election is required to be filed with Purchaser's federal income tax return for the calendar year in which the date of this Agreement falls. **Purchaser further acknowledges and understands that it is Purchaser's sole obligation and responsibility to timely file such 83(b) Election, and neither the Company nor the Company's legal or financial advisors have any obligation or responsibility with respect to such filing.** Purchaser acknowledges that the foregoing is only a summary of the effect of United States federal income taxation with respect to the purchase of Unvested Shares hereunder, and does not purport to be complete. Purchaser further acknowledges that the Company has directed Purchaser to seek independent advice regarding the applicable provisions of the Code, the income tax laws of any municipality, state or foreign country in which Purchaser may reside, and the tax consequences of Purchaser's death. Purchaser assumes all responsibility for filing an 83(b) Election and paying all taxes resulting from such election or the lapse of the restrictions on the Unvested Shares.

(j) Refusal to Transfer. The Company will not be required (i) to transfer on its books any Unvested Shares of the Company that have been transferred in violation of any of the provisions set forth in this Agreement or (ii) to treat as owner of such shares or to accord the right to vote as such owner or to pay dividends to any transferee to whom such shares have been so transferred.

(k) No Employment Rights. This Agreement is not an employment or other service contract and nothing in this Agreement will affect in any manner whatsoever the right or power of the Company (or a parent or subsidiary of the Company) to terminate Purchaser's employment or other service relationship for any reason at any time, with or without cause and with or without notice.

(l) Parachute Payments.

(i) If any payment or benefit Purchaser would receive pursuant to a Corporate Transaction from the Company or otherwise ("**Payment**") would (i) constitute a "parachute payment" within the meaning of Section 280G of the Code, and (ii) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the "**Excise Tax**"), then such Payment will be reduced to the Reduced Amount. The "**Reduced Amount**" will be either (x) the largest portion of the Payment that would result in no portion of the Payment being subject to the Excise Tax or (y) the largest portion, up to and including the total, of the Payment, whichever amount, after taking into account all applicable federal, state and local employment taxes, income taxes, and the Excise Tax (all computed at the highest applicable marginal rate), results in Purchaser's receipt, on an after-tax basis, of the greater amount of the Payment notwithstanding that all or some portion of the Payment may be subject to the Excise Tax. If a reduction in payments and/or benefits constituting "parachute payments" is necessary so that the Payment equals the Reduced Amount, reduction will occur in the following order: reduction of current cash payments; reduction of deferred cash payments subject to Code Section 409A; cancellation of accelerated vesting of stock awards; reduction of employee benefits. In the event that acceleration of vesting of stock award compensation is to be reduced, such acceleration of vesting will be cancelled in the reverse order of the date of grant of Purchaser's stock awards.

(ii) The accounting firm engaged by the Company for general audit purposes as of the day prior to the effective date of the Corporate Transaction will perform the foregoing calculations. If the accounting firm so engaged by the Company is serving as accountant or auditor for the individual, entity or group affecting the Corporate Transaction, the Company will appoint a nationally recognized accounting firm to make the determinations required hereunder. The Company will bear all expenses with respect to the determinations by such accounting firm required to be made hereunder.

(iii) The accounting firm engaged to make the determinations hereunder will provide its calculations, together with detailed supporting documentation, to the Company and Purchaser within 15 calendar days after the date on which Purchaser's right to a Payment is triggered (if requested at that time by the Company or Purchaser) or such other time as requested by the Company or Purchaser. If the accounting firm determines that no Excise Tax is payable with respect to a Payment, it will furnish the Company and Purchaser with an opinion reasonably acceptable to Purchaser that no Excise Tax will be imposed with respect to such Payment. Any good faith determinations of the accounting firm made hereunder will be final, binding and conclusive upon the Company and Purchaser.

(m) Certain Defined Terms. For purposes of this Agreement, the following defined terms apply:

(i) **"Cause"** means any of the following: (1) commission of any felony or any crime involving moral turpitude or dishonesty, (2) participation in a fraud or act of dishonesty against the Company, (3) willful and material breach of Purchaser's duties that has not been cured within 30 days after written notice from the Company's Board of Directors of such breach, (4) intentional and material damage to the Company's property, or (5) material breach of Purchaser's Confidential Information and Inventions Assignment Agreement (if applicable).

(ii) **"Change in Control"** means (1) a merger or consolidation in which the Company is a constituent party (or in which a subsidiary of the Company is a constituent party and the Company issues shares of its capital stock pursuant to such merger or consolidation), other than a merger or consolidation in which the voting securities of the Company outstanding immediately prior to such merger or consolidation continue to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) more than 50% of the combined voting power of the voting securities of the surviving entity outstanding immediately after such merger or consolidation, or (2) any transaction or series of related transactions in which in excess of 50% of the Company's voting power is transferred, other than the sale by the Company of stock in transactions the primary purpose of which is to raise capital for the Company's operations and activities, or (3) a sale, lease, exclusive license or other disposition of all or substantially all (as determined by the Board of Directors in its sole discretion) of the assets of the Company other than a sale, lease, license or other disposition of all or substantially all of the consolidated assets of the Company to an entity, more than 50% of the combined voting power of the voting securities of which are beneficially owned by shareholders of the Company in substantially the same proportions as their beneficial ownership of the outstanding voting securities of the Company immediately prior to such sale, lease, exclusive license or other disposition.

(iii) **"Good Reason"** means any of the following actions taken by the Company or a successor corporation or entity without Purchaser's consent (unless such action is taken in response to conduct by Purchaser that constitutes Cause): (1) material reduction of Purchaser's base compensation, other than a reduction that applies generally to all executives and does not exceed 10%; (2) material reduction in Purchaser's authority, duties or responsibilities; *provided, however*, that a change in job position (including a change in title) will not be deemed a "material reduction" unless Purchaser's new authority, duties or responsibilities are materially reduced from the prior authority, duties or responsibilities; (3) failure or refusal of a successor to the Company to materially assume the Company's obligations under this Agreement; or (4) relocation of Purchaser's principal place of employment that results in an increase in Purchaser's one-way driving distance by more than 50 miles from Purchaser's then current principal residence; *provided that* if Purchaser works remotely during any period in which Purchaser's regular principal place of employment at a Company office is closed, then neither Purchaser's relocation to remote work or back to the office from remote work will be considered a relocation of Purchaser's principal place of employment with the Company for purposes of this definition. In order to resign for Good Reason, the Purchaser must provide written notice of the event giving rise to Good Reason to the Company's Board of Directors within 30 days after the condition arises, allow the Company 90 days to cure such condition, and if the Company fails to cure the condition within such period, the Purchaser's resignation from all positions Purchaser then holds with the Company must be effective not later than 30 days after the end of the Company's cure period.

Exhibit A to Common Stock Purchase Agreement

[]
Page 7

6. Miscellaneous.

(a) Release. As a condition of receiving the Acceleration Provisions set forth in the cover page to this Agreement to which Purchaser would not otherwise be entitled, Purchaser will execute the Company's standard form of a release of claims (the "**Release**") and permit such Release to become effective in accordance with its terms. Unless the Release is executed by Purchaser and delivered to the Company within the period of time set forth in the Release, and such Release becomes effective, Purchaser will not receive any of the benefits of the Acceleration Provisions provided for under this Agreement.

(b) Waiver of Information Rights. Purchaser hereby acknowledges and agrees that, except for such information as required to be delivered to Purchaser by the Company pursuant to any other agreement by and between the Company and Purchaser, Purchaser has no right to receive any information from the Company by virtue of such Purchaser's purchase of the Stock, ownership of the Stock, or as a result of Purchaser being a holder of record of stock of the Company. Without limiting the foregoing, to the fullest extent permitted by law, Purchaser hereby waives Purchaser's inspection rights under Section 220 of the Delaware General Corporation Law and all such similar information and/or inspection rights that may be provided under the law of any jurisdiction, or any federal, state or foreign regulation, that are, or may become, applicable to the Company, the Company's capital stock or the Stock (the "**Inspection Rights**"). Purchaser hereby covenants and agrees never to directly or indirectly commence, voluntarily aid in any way, prosecute, assign, transfer, or cause to be commenced any claim, action, cause of action, or other proceeding to pursue or exercise the Inspection Rights.

(c) Notices. All notices required or permitted hereunder will be in writing and will be deemed effectively given: (i) upon personal delivery to the party to be notified; (ii) when sent by confirmed electronic mail or facsimile if sent during normal business hours of the recipient, and if not sent during normal business hours of the recipient, then on the next business day; (iii) five calendar days after having been sent by registered or certified mail, return receipt requested, postage prepaid; or (iv) one business day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications will be sent to the other party to this Agreement at such party's address set forth on the signature page hereof, or at such other address as such party may designate by 10 days' advance written notice to the other party hereto.

(d) Successors and Assigns. This Agreement will inure to the benefit of the successors and assigns of the Company and, subject to the restrictions on transfer herein set forth, be binding upon Purchaser, Purchaser's successors, and assigns. The Repurchase Option of the Company hereunder will be assignable by the Company at any time or from time to time, in whole or in part.

(e) Attorneys' Fees. The prevailing party in any suit or action hereunder will be entitled to recover from the losing party all costs incurred by it in enforcing the performance of, or protecting its rights under, any part of this Agreement, including reasonable costs of investigation and attorneys' fees.

(f) Governing Law; Venue. This Agreement will be governed by and construed in accordance with the laws of the State of Delaware. The parties agree that any action brought by either party to interpret or enforce any provision of this Agreement will be brought in, and each party agrees to, and does hereby, submit to the jurisdiction and venue of, the appropriate state or federal court for the district encompassing the Company's principal place of business.

Exhibit A to Common Stock Purchase Agreement

[]
Page 8

(g) Further Execution. The parties agree to take all such further actions as may reasonably be necessary to carry out and consummate this Agreement as soon as practicable, and to take whatever steps may be necessary to obtain any governmental approval in connection with or otherwise qualify the issuance of the securities that are the subject of this Agreement. Purchaser agrees that, at the request of the Company at any time, Purchaser will execute and deliver any applicable securityholders' agreement, investor rights agreement, voting agreement, drag along agreement, right of first refusal and co-sale agreement or similar agreement (or a joinder to any existing agreement) that the Company and/or the holders of its securities may enter into or that otherwise that may be in effect from time to time (and which may contain, among other provisions, additional restrictions on transfer and/or rights of repurchase in favor of the Company).

(h) Further Information and Action. Upon request from the Company at any time, Purchaser agrees to promptly provide the Company with such information and take such other actions as the Company may request in connection with any obligations the Company may have under applicable law, rule, or regulation, or to comply with requests by applicable regulatory authorities. Purchaser hereby represents and warrants that all information provided pursuant to this paragraph shall be accurate and complete, and covenants that Purchaser will submit to the Company (or other recipient as directed by the Company) any updates to such information within 15 days after any change in, or correction to, any such information.

(i) Independent Counsel. Purchaser acknowledges that this Agreement has been prepared on behalf of the Company by Cooley LLP, counsel to the Company and that Cooley LLP does not represent, and is not acting on behalf of, Purchaser in any capacity. Purchaser has been provided with an opportunity to consult with Purchaser's own counsel with respect to this Agreement.

(j) Entire Agreement; Amendment. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes and merges all prior agreements or understandings, whether written or oral, with respect to the subject matter hereof. This Agreement may not be amended, modified or revoked, in whole or in part, except by an agreement in writing signed by each of the parties hereto.

(k) Severability. If one or more provisions of this Agreement are held to be unenforceable under applicable law, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision will be excluded from this Agreement, (ii) the balance of the Agreement will be interpreted as if such provision were so excluded and (iii) the balance of the Agreement will be enforceable in accordance with its terms.

(l) Counterparts. This Agreement (including any schedules and/or exhibits hereto or thereto) may be executed in two or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act or other applicable law) or other transmission method and any counterpart so delivered will be deemed to have been duly and validly delivered and be valid and effective for all purposes.

[End of Exhibit A to Common Stock Purchase Agreement]

Exhibit A to Common Stock Purchase Agreement

[]
Page 9

EXHIBIT B

JOINT ESCROW INSTRUCTIONS

JOINT ESCROW INSTRUCTIONS

Secretary
Candid Therapeutics, Inc.

As Escrow Agent for both **Candid Therapeutics, Inc.**, a Delaware corporation ("**Company**") and [] ("**Purchaser**"), you are hereby authorized and directed to hold the documents delivered to you pursuant to the terms of that certain Common Stock Purchase Agreement dated as of [] ("**Agreement**"), to which a copy of these Joint Escrow Instructions is attached as an Exhibit, in accordance with the following instructions:

1. In the event Company or an assignee elects to exercise the Repurchase Option set forth in the Agreement, the Company or its assignee will give to Purchaser and you a written notice specifying the number of shares of stock to be purchased, the purchase price, and the time for a closing thereunder at the principal office of the Company. Purchaser and the Company hereby irrevocably authorize and direct you to close the transaction contemplated by such notice in accordance with the terms of said notice.

2. At the closing, you are directed (a) to date the stock assignments necessary for the transfer in question, (b) to fill in the number of shares being transferred, and (c) to deliver the same, together with the certificate evidencing the shares of stock to be transferred, to the Company against the simultaneous delivery to you of the purchase price (which may include suitable acknowledgment of cancellation of indebtedness) for the number of shares of stock being purchased pursuant to the exercise of the Repurchase Option.

3. Purchaser irrevocably authorizes the Company to deposit with you any certificates evidencing shares of stock to be held by you hereunder and any additions and substitutions to said shares as specified in the Agreement. Purchaser does hereby irrevocably constitute and appoint you as Purchaser's attorney-in-fact and agent for the term of this escrow to execute with respect to such securities all documents necessary or appropriate to make such securities negotiable and complete any transaction herein contemplated, including but not limited to any appropriate filing with state or government officials or bank officials. Subject to the provisions of this paragraph 3, Purchaser will exercise all rights and privileges of a shareholder of the Company while the stock is held by you.

4. This escrow will terminate upon the exercise in full or expiration of the Repurchase Option, whichever occurs first.

5. If at the time of termination of this escrow under Section 4 herein you should have in your possession any documents, securities, or other property belonging to Purchaser, you will deliver all of the same to Purchaser and will be discharged of all further obligations hereunder; *provided, however*, that if at the time of termination of this escrow you are advised by the Company that any property subject to this escrow is the subject of a pledge or other security agreement, you will deliver all such property to the pledgeholder or other person designated by the Company.

Joint Escrow Instructions
[]
Page 1

6. Except as otherwise provided in these Joint Escrow Instructions, your duties hereunder may be altered, amended, modified or revoked only by a writing signed by all of the parties hereto.

7. You are obligated only for the performance of such duties as are specifically set forth herein and may rely and will be protected in relying or refraining from acting on any instrument reasonably believed by you to be genuine and to have been signed or presented by the proper party or parties. You will not be personally liable for any act you may do or omit to do hereunder as Escrow Agent or as attorney-in-fact for Purchaser while acting in good faith and in the exercise of your own good judgment, and any act done or omitted by you pursuant to the advice of your own attorneys will be conclusive evidence of such good faith.

8. You are hereby expressly authorized to disregard any and all warnings given by any of the parties hereto or by any other person or entity, excepting only orders or process of courts of law, and are hereby expressly authorized to comply with and obey orders, judgments or decrees of any court. In case you obey or comply with any such order, judgment or decree of any court, you will not be liable to any of the parties hereto or to any other person, firm or corporation by reason of such compliance, notwithstanding any such order, judgment or decree being subsequently reversed, modified, annulled, set aside, vacated or found to have been entered without jurisdiction.

9. You will not be liable in any respect on account of the identity, authorities or rights of the parties executing or delivering or purporting to execute or deliver these Joint Escrow Instructions documents or papers deposited or called for hereunder.

10. You will not be liable for the outlawing of any rights under any statute of limitations with respect to these Joint Escrow Instructions or any documents deposited with you.

11. Your responsibilities as Escrow Agent hereunder will terminate if you cease to be Secretary of the Company or if you resign by written notice to the Company. In the event of any such termination, the Secretary of the Company will automatically become the successor Escrow Agent unless the Company appoints another successor Escrow Agent, and Purchaser hereby confirms the appointment of such successor as Purchaser's attorney-in-fact and agent to the full extent of your appointment.

12. If you reasonably require other or further instruments in connection with these Joint Escrow Instructions or obligations in respect hereto, the necessary parties hereto will join in furnishing such instruments.

13. It is understood and agreed that should any dispute arise with respect to the delivery and/or ownership or right of possession of the securities held by you hereunder, you are authorized and directed to retain in your possession without liability to anyone all or any part of said securities until such dispute has been settled either by mutual written agreement of the parties concerned or by a final order, decree or judgment of a court of competent jurisdiction after the time for appeal has expired and no appeal has been perfected, but you will be under no duty whatsoever to institute or defend any such proceedings.

14. All notices required or permitted hereunder will be in writing and will be deemed effectively given: (a) upon personal delivery to the party to be notified, (b) when sent by confirmed electronic mail or facsimile if sent during normal business hours of the recipient, and if not sent during normal business hours of the recipient, then on the next business day, (c) five calendar days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one business day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications will be sent to the other party hereto at such party's address set forth below, or at such other address as such party may designate by 10 days' advance written notice to the other party hereto.

Joint Escrow Instructions

[]
Page 2

Company: Candid Therapeutics, Inc.

Attn: Chief Executive Officer

Purchaser: []
[]

Escrow Agent: Candid Therapeutics, Inc.

Attn: Secretary

15. By signing these Joint Escrow Instructions, you become a party hereto only for the purpose of said Joint Escrow Instructions; you do not become a party to the Agreement.

16. You are entitled to employ such legal counsel and other experts (including, without limitation, the firm of Cooley LLP) as you may deem necessary properly to advise you in connection with your obligations hereunder. You may rely upon the advice of such counsel, and you may pay such counsel reasonable compensation therefor.

17. This instrument is binding upon and inures to the benefit of the parties hereto and their respective successors and permitted assigns. It is understood and agreed that references to “you” and “your” herein refer to the original Escrow Agents and to any and all successor Escrow Agents. It is understood and agreed that the Company may at any time or from time to time assign its rights under the Agreement and these Joint Escrow Instructions in whole or in part.

18. These Joint Escrow Instructions will be governed by and interpreted and determined in accordance with the laws of the State of Delaware, as such laws are applied by Delaware courts to contracts made and to be performed entirely in Delaware by residents of that state. The parties hereby expressly consent to the personal jurisdiction of the state and federal courts located in the county in which the Company has its principal offices for any lawsuit arising from or related to this Agreement.

[Remainder of page intentionally left blank]

Joint Escrow Instructions
[]
Page 3

The undersigned have executed this **Joint Escrow Instructions** as of the date set forth above.

PURCHASER:

[]

(Signature)

Address: []

COMPANY:

Candid Therapeutics, Inc.

By: _____

Name:
Title:

Address: _____

Escrow Agent:

[], Secretary

EXHIBIT C

STOCK ASSIGNMENT SEPARATE FROM CERTIFICATE

STOCK ASSIGNMENT SEPARATE FROM CERTIFICATE

For Value Received, the undersigned sells, assigns and transfers unto **Candid Therapeutics, Inc.**, a Delaware corporation (the “**Company**”), pursuant to the Repurchase Option under that certain Common Stock Purchase Agreement, dated [], by and between the undersigned and the Company (the “**Agreement**”) _____ shares of Common Stock of the Company standing in the undersigned’s name on the books of the Company represented by Certificate No[s] _____ and does irrevocably constitute and appoint both the Company’s Secretary and the Company’s attorney, or either of them, to transfer said stock on the books of the Company with full power of substitution in the premises. This Assignment may be used only in accordance with and subject to the terms and conditions of the Agreement, in connection with the repurchase of shares of Common Stock issued to the undersigned pursuant to the Agreement, and only to the extent that such shares remain subject to the Company’s Repurchase Option under the Agreement.

Dated:

(Leave blank)

[]

(Signature)

Instruction: **Please do not fill in any blanks other than the signature line. Do not fill in the date line.** The purpose of this Assignment is to enable the Company to exercise its repurchase option set forth in the Agreement without requiring additional signatures on the part of the Purchaser.



7/1/2024

Candid Therapeutics, Inc.
11622 El Camino Real, Suite 150,
San Diego, California 92130

Re: Employment Terms

Dear Ken:

Candid Therapeutics, Inc. (the "Company") is pleased to offer you employment beginning on 7/1/2024 (the "Start Date").

Position

Your initial position will be President and Chief Executive Officer, responsible for performing such duties as are assigned to you from time to time, reporting to the Board of Directors. You will work at the Company's headquarters in San Diego, CA. Of course, the Company may change your position, duties, and work location from time to time in its discretion.

Compensation and Benefits

Your initial base salary will be paid at the rate of \$550,000 per year, less payroll deductions and withholdings, paid on the Company's normal payroll schedule.

If you join the Company, you will also be eligible to earn an annual discretionary bonus of up to 50% of your annual salary, subject to approval of a bonus plan by the board of directors and in accordance with the terms of such approved plan. The paid out amount of this bonus will be determined in the sole discretion of the Company and based, in part, on your performance and the performance of the Company during the calendar year, as well as any other criteria the Company deems relevant. The bonus is not earned until paid and no pro-rated amount will be paid if your employment terminates for any reason prior to the payment date.

During your employment, you will be eligible to participate in the benefits plans offered to similarly situated employees by the Company from time to time, subject to plan terms and generally applicable Company policies. Upon commencement of your employment with the Company, you will be eligible to accrue 20 days of paid-time off annually, in accordance with the Company's standard paid-time off policy. Supervisors will approve paid vacation requests based on the employee's progress on work goals or milestones, status of projects, fairness to the working team, and productivity and efficiency of the employee. The Company may change compensation and benefits from time to time in its discretion.

Equity

The Company previously granted you an option to purchase shares of the Company's common stock (the "Option"). Such Option shall continue to vest in accordance with its terms, and you will continue to be a Service Provider under such Option without any gap in service.

Confidential Information and Company Policies

As a Company employee, you will be expected to abide by Company rules and policies. As a condition of employment, you must sign and comply with the attached Employee Confidential Information and Inventions Assignment Agreement which prohibits unauthorized use or disclosure of the Company's proprietary information, among other obligations.

By signing this letter you are representing that you have full authority to accept this position and perform the duties of the position without conflict with any other obligations and that you are not involved in any situation that might create, or appear to create, a conflict of interest with respect to your loyalty or duties to the Company. You specifically warrant that you are not subject to an employment agreement or restrictive covenant preventing full performance of your duties to the Company. You agree not to bring to the Company or use in the performance of your responsibilities at the Company any materials or documents of a former employer that are not generally available to the public, unless you have obtained express written authorization from the former employer for their possession and use. You also agree to honor all obligations to former employers during your employment with the Company.

At-Will Employment and Exempt Status

Your employment with the Company will be "at-will." You may terminate your employment with the Company at any time and for any reason whatsoever simply by notifying the Company. Likewise, the Company may terminate your employment at any time, with or without cause or advance notice. Your employment at-will status can only be modified in a written agreement signed by you and by an officer of the Company.

As a full-time exempt salaried employee, you will be expected to work the Company's normal business hours as well as additional hours as required by the nature of your work assignments, and you will not be eligible for overtime compensation.

Conditions, Dispute Resolution, and Complete Agreement

This offer is contingent upon a satisfactory reference check and satisfactory proof of your right to work in the United States. If the Company informs you that you are required to complete a background check, this offer is contingent upon satisfactory clearance of such background check. You agree to assist as needed and to complete any documentation at the Company's request to meet these conditions.

To aid the rapid and economical resolution of disputes that may arise in connection with your employment with the Company, and in exchange for the mutual promises contained in this offer letter agreement, you and the Company agree that any and all disputes, claims, or causes of action, in law or equity, including but not limited to statutory claims, arising from or relating to the enforcement, breach, performance, or interpretation of this letter agreement, your employment with the Company, or the termination of your employment, shall be resolved to the fullest extent permitted by law, by final, binding and confidential arbitration conducted by JAMS, Inc. ("JAMS") or its successor, under JAMS' then applicable rules and procedures appropriate to the relief being sought (available upon request and also currently available at the following web address:

(i) <https://www.jamsadr.com/rules-employment-arbitration/>) and (ii) <https://www.jamsadr.com/rules-comprehensive-arbitration/>) at a location closest to where you last worked for the Company or another mutually agreeable location. **You acknowledge that by agreeing to this arbitration procedure, both you and the Company waive the right to resolve any such dispute through a trial by jury or judge.** The Federal Arbitration Act, 9 U.S.C. § 1 et seq., will, to the fullest extent permitted by law, govern the interpretation and enforcement of this arbitration agreement and any arbitration proceedings. This provision shall not be mandatory for any claim or cause of action to the extent

applicable law prohibits subjecting such claim or cause of action to mandatory arbitration and such applicable law is not preempted by the Federal Arbitration Act or otherwise invalid (collectively, the "Excluded Claims"), such as non-individual claims that cannot be waived under applicable law, claims or causes of action alleging sexual harassment or a nonconsensual sexual act or sexual contact, or unemployment or workers' compensation claims brought before the applicable state governmental agency. In the event you or the Company intend to bring multiple claims, including one of the Excluded Claims listed above, the Excluded Claims may be filed with a court, while any other claims will remain subject to mandatory arbitration. You acknowledge and agree that proceedings of any non-individual claim(s) under the California Private Attorneys General Act ("PAGA") that may be brought in court shall be stayed for the duration and pending a final resolution of the arbitration of any individual or individual PAGA claim. Nothing herein prevents you from filing and pursuing proceedings before a federal or state governmental agency, although if you choose to pursue a claim following the exhaustion of any applicable administrative remedies, that claim would be subject to this provision. In addition, with the exception of Excluded Claims arising out of 9 U.S.C. § 401 et seq., all claims, disputes, or causes of action under this section, whether by you or the Company, must be brought in an individual capacity, and shall not be brought as a plaintiff (or claimant) or class member in any purported class, representative, or collective proceeding, nor joined or consolidated with the claims of any other person or entity. **You acknowledge that by agreeing to this arbitration procedure, both you and the Company waive all rights to have any dispute be brought, heard, administered, resolved, or arbitrated on a class, representative, or collective action basis.** The arbitrator may not consolidate the claims of more than one person or entity, and may not preside over any form of representative or class proceeding. If a court finds, by means of a final decision, not subject to any further appeal or recourse, that the preceding sentences regarding class, representative, or collective claims or proceedings violate applicable law or are otherwise unenforceable, as to a particular claim or request for relief, the parties agree that any such claim(s) or request(s) for relief be severed from the arbitration and may proceed in a court of law rather than by arbitration. All other claims or requests for relief shall be arbitrated. You will have the right to be represented by legal counsel at any arbitration proceeding. Questions of whether a claim is subject to arbitration and procedural questions which grow out of the dispute and bear on the final disposition are matters for the arbitrator to decide, provided however, that if required by applicable law, a court and not the arbitrator may determine the enforceability of this paragraph with respect to Excluded Claims. The arbitrator shall: (a) have the authority to compel adequate discovery for the resolution of the dispute and to award such relief as you or the Company would otherwise be entitled to seek in a court of law; and (b) issue a written statement signed by the arbitrator regarding the disposition of each claim and the relief, if any, awarded as to each claim, the reasons for the award, and the arbitrator's essential findings and conclusions on which the award is based. The Company shall pay all JAMS arbitration administrative fees in excess of the administrative fees that you would be required to pay if the dispute were decided in a court of law. Each party is responsible for its own attorneys' fees, except as may be expressly set forth in your Employee Confidential Information and Inventions Assignment Agreement or as otherwise provided under applicable law. Nothing in this letter agreement is intended to prevent either you or the Company from obtaining injunctive relief in court to prevent irreparable harm pending the conclusion of any such arbitration. Any awards or orders in such arbitrations may be entered and enforced as judgments in the federal and state courts of any competent jurisdiction.

This letter, together with your Employee Confidential Information and Inventions Assignment Agreement, forms the complete and exclusive statement of your employment agreement with the Company. It supersedes any other agreements or promises made to you by anyone, whether oral or written. You acknowledge and agree that you are not relying on any representations other than the terms set forth in this letter and your Employee Confidential Information and Inventions Assignment Agreement. Changes in your employment terms, other than those changes expressly reserved to the Company's discretion in this letter, require a written modification signed by an officer of the Company. If any provision of this offer letter agreement is determined to be invalid or unenforceable, in whole or in part, this determination shall not affect any other provision of this offer letter agreement and the provision in question shall be modified

so as to be rendered enforceable in a manner consistent with the intent of the parties insofar as possible under applicable law. This letter may be executed in counterparts and may be delivered and executed via electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act or other applicable law) or other transmission method and shall be deemed to have been duly and validly delivered and executed and be valid and effective for all purposes.

* * *

Please sign and date this letter, and the enclosed Employee Confidential Information and Inventions Assignment Agreement and return them to me, if you wish to accept employment at the Company under the terms described above.

We look forward to your favorable reply and to a productive and enjoyable work relationship.

Sincerely,

/s/ Ken Song
Ken Song, President and CEO

Understood and Accepted:

/s/ Ken Song
Ken Song

7/7/2024
Date

Attachment: Employee Confidential Information and Inventions Assignment Agreement



7/12/2024

Candid Therapeutics, Inc.
11622 El Camino Real, Suite 150,
San Diego, California 92130

Re: Employment Terms

Dear Bernard:

Candid Therapeutics, Inc. (the "Company") is pleased to offer you employment beginning on 7/16/2024 (the "Start Date").

Position

Your initial position will be Chief Technical Officer, responsible for performing such duties as are assigned to you from time to time, reporting to me. You will work at the Company's headquarters in San Diego, CA. Of course, the Company may change your position, duties, and work location from time to time in its discretion.

Compensation and Benefits

Your initial base salary will be paid at the rate of \$425,000 per year, less payroll deductions and withholdings, paid on the Company's normal payroll schedule.

If you join the Company, you will also be eligible to earn an annual discretionary bonus of up to 40% of your annual salary, subject to approval of a bonus plan by the board of directors and in accordance with the terms of such approved plan. The paid out amount of this bonus will be determined in the sole discretion of the Company and based, in part, on your performance and the performance of the Company during the calendar year, as well as any other criteria the Company deems relevant. The bonus is not earned until paid and no pro-rated amount will be paid if your employment terminates for any reason prior to the payment date.

During your employment, you will be eligible to participate in the benefits plans offered to similarly situated employees by the Company from time to time, subject to plan terms and generally applicable Company policies. Upon commencement of your employment with the Company, you will be eligible to accrue 20 days of paid-time off annually, in accordance with the Company's standard paid-time off policy. Supervisors will approve paid vacation requests based on the employee's progress on work goals or milestones, status of projects, fairness to the working team, and productivity and efficiency of the employee. The Company may change compensation and benefits from time to time in its discretion.

Equity

The Company previously granted you an option to purchase shares of the Company's common stock (the "Option"). Such Option shall continue to vest in accordance with its terms, and you will continue to be a Service Provider under such Option without any gap in service.

Confidential Information and Company Policies

As a Company employee, you will be expected to abide by Company rules and policies. As a condition of employment, you must sign and comply with the attached Employee Confidential Information and Inventions Assignment Agreement which prohibits unauthorized use or disclosure of the Company's proprietary information, among other obligations.

By signing this letter you are representing that you have full authority to accept this position and perform the duties of the position without conflict with any other obligations and that you are not involved in any situation that might create, or appear to create, a conflict of interest with respect to your loyalty or duties to the Company. You specifically warrant that you are not subject to an employment agreement or restrictive covenant preventing full performance of your duties to the Company. You agree not to bring to the Company or use in the performance of your responsibilities at the Company any materials or documents of a former employer that are not generally available to the public, unless you have obtained express written authorization from the former employer for their possession and use. You also agree to honor all obligations to former employers during your employment with the Company.

At-Will Employment and Exempt Status

Your employment with the Company will be "at-will." You may terminate your employment with the Company at any time and for any reason whatsoever simply by notifying the Company. Likewise, the Company may terminate your employment at any time, with or without cause or advance notice. Your employment at-will status can only be modified in a written agreement signed by you and by an officer of the Company.

As a full-time exempt salaried employee, you will be expected to work the Company's normal business hours as well as additional hours as required by the nature of your work assignments, and you will not be eligible for overtime compensation.

Conditions, Dispute Resolution, and Complete Agreement

This offer is contingent upon a satisfactory reference check and satisfactory proof of your right to work in the United States. If the Company informs you that you are required to complete a background check, this offer is contingent upon satisfactory clearance of such background check. You agree to assist as needed and to complete any documentation at the Company's request to meet these conditions.

To aid the rapid and economical resolution of disputes that may arise in connection with your employment with the Company, and in exchange for the mutual promises contained in this offer letter agreement, you and the Company agree that any and all disputes, claims, or causes of action, in law or equity, including but not limited to statutory claims, arising from or relating to the enforcement, breach, performance, or interpretation of this letter agreement, your employment with the Company, or the termination of your employment, shall be resolved to the fullest extent permitted by law, by final, binding and confidential arbitration conducted by JAMS, Inc. ("JAMS") or its successor, under JAMS' then applicable rules and procedures appropriate to the relief being sought (available upon request and also currently available at the following web address:

(i) <https://www.jamsadr.com/rules-employment-arbitration/>) and (ii) <https://www.jamsadr.com/rules-comprehensive-arbitration/>) at a location closest to where you last worked for the Company or another mutually agreeable location. **You acknowledge that by agreeing to this arbitration procedure, both you and the Company waive the right to resolve any such dispute through a trial by jury or judge.** The Federal Arbitration Act, 9 U.S.C. § 1 et seq., will, to the fullest extent permitted by law, govern the interpretation and enforcement of this arbitration agreement and any arbitration proceedings. This provision shall not be mandatory for any claim or cause of action to the extent

applicable law prohibits subjecting such claim or cause of action to mandatory arbitration and such applicable law is not preempted by the Federal Arbitration Act or otherwise invalid (collectively, the "Excluded Claims"), such as non-individual claims that cannot be waived under applicable law, claims or causes of action alleging sexual harassment or a nonconsensual sexual act or sexual contact, or unemployment or workers' compensation claims brought before the applicable state governmental agency. In the event you or the Company intend to bring multiple claims, including one of the Excluded Claims listed above, the Excluded Claims may be filed with a court, while any other claims will remain subject to mandatory arbitration. You acknowledge and agree that proceedings of any non-individual claim(s) under the California Private Attorneys General Act ("PAGA") that may be brought in court shall be stayed for the duration and pending a final resolution of the arbitration of any individual or individual PAGA claim. Nothing herein prevents you from filing and pursuing proceedings before a federal or state governmental agency, although if you choose to pursue a claim following the exhaustion of any applicable administrative remedies, that claim would be subject to this provision. In addition, with the exception of Excluded Claims arising out of 9 U.S.C. § 401 et seq., all claims, disputes, or causes of action under this section, whether by you or the Company, must be brought in an individual capacity, and shall not be brought as a plaintiff (or claimant) or class member in any purported class, representative, or collective proceeding, nor joined or consolidated with the claims of any other person or entity. **You acknowledge that by agreeing to this arbitration procedure, both you and the Company waive all rights to have any dispute be brought, heard, administered, resolved, or arbitrated on a class, representative, or collective action basis.** The arbitrator may not consolidate the claims of more than one person or entity, and may not preside over any form of representative or class proceeding. If a court finds, by means of a final decision, not subject to any further appeal or recourse, that the preceding sentences regarding class, representative, or collective claims or proceedings violate applicable law or are otherwise unenforceable, as to a particular claim or request for relief, the parties agree that any such claim(s) or request(s) for relief be severed from the arbitration and may proceed in a court of law rather than by arbitration. All other claims or requests for relief shall be arbitrated. You will have the right to be represented by legal counsel at any arbitration proceeding. Questions of whether a claim is subject to arbitration and procedural questions which grow out of the dispute and bear on the final disposition are matters for the arbitrator to decide, provided however, that if required by applicable law, a court and not the arbitrator may determine the enforceability of this paragraph with respect to Excluded Claims. The arbitrator shall: (a) have the authority to compel adequate discovery for the resolution of the dispute and to award such relief as you or the Company would otherwise be entitled to seek in a court of law; and (b) issue a written statement signed by the arbitrator regarding the disposition of each claim and the relief, if any, awarded as to each claim, the reasons for the award, and the arbitrator's essential findings and conclusions on which the award is based. The Company shall pay all JAMS arbitration administrative fees in excess of the administrative fees that you would be required to pay if the dispute were decided in a court of law. Each party is responsible for its own attorneys' fees, except as may be expressly set forth in your Employee Confidential Information and Inventions Assignment Agreement or as otherwise provided under applicable law. Nothing in this letter agreement is intended to prevent either you or the Company from obtaining injunctive relief in court to prevent irreparable harm pending the conclusion of any such arbitration. Any awards or orders in such arbitrations may be entered and enforced as judgments in the federal and state courts of any competent jurisdiction.

This letter, together with your Employee Confidential Information and Inventions Assignment Agreement, forms the complete and exclusive statement of your employment agreement with the Company. It supersedes any other agreements or promises made to you by anyone, whether oral or written. You acknowledge and agree that you are not relying on any representations other than the terms set forth in this letter and your Employee Confidential Information and Inventions Assignment Agreement. Changes in your employment terms, other than those changes expressly reserved to the Company's discretion in this letter, require a written modification signed by an officer of the Company. If any provision of this offer letter agreement is determined to be invalid or unenforceable, in whole or in part, this determination shall not affect any other provision of this offer letter agreement and the provision in question shall be modified

so as to be rendered enforceable in a manner consistent with the intent of the parties insofar as possible under applicable law. This letter may be executed in counterparts and may be delivered and executed via electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act or other applicable law) or other transmission method and shall be deemed to have been duly and validly delivered and executed and be valid and effective for all purposes.

* * *

Please sign and date this letter, and the enclosed Employee Confidential Information and Inventions Assignment Agreement and return them to me, if you wish to accept employment at the Company under the terms described above.

We look forward to your favorable reply and to a productive and enjoyable work relationship.

Sincerely,

/s/ Ken Song

Ken Song, President and CEO

Understood and Accepted:

/s/ Bernard Huyghe

Bernard Huyghe

7/12/2024

Date

Attachment: Employee Confidential Information and Inventions Assignment Agreement



7/17/2024

Candid Therapeutics, Inc.
11622 El Camino Real, Suite 150,
San Diego, California 92130

Re: Employment Terms

Dear Tim:

Candid Therapeutics, Inc. (the "Company") is pleased to offer you employment beginning on 7/22/2024 (the "Start Date").

Position

Your initial position will be Chief Medical Officer and Chief Scientific Officer, responsible for performing such duties as are assigned to you from time to time, reporting to me. You will work remotely and travel for work as necessary. Of course, the Company may change your position, duties, and work location from time to time in its discretion.

Compensation and Benefits

Your initial base salary will be paid at the rate of \$500,000 per year, less payroll deductions and withholdings, paid on the Company's normal payroll schedule.

If you join the Company, you will also be eligible to earn an annual discretionary bonus of up to 50% of your annual salary, subject to approval of a bonus plan by the board of directors and in accordance with the terms of such approved plan. The paid out amount of this bonus will be determined in the sole discretion of the Company and based, in part, on your performance and the performance of the Company during the calendar year, as well as any other criteria the Company deems relevant. The bonus is not earned until paid and no pro-rated amount will be paid if your employment terminates for any reason prior to the payment date.

During your employment, you will be eligible to participate in the benefits plans offered to similarly situated employees by the Company from time to time, subject to plan terms and generally applicable Company policies. Upon commencement of your employment with the Company, you will be eligible to accrue 15 days of paid-time off annually, in accordance with the Company's standard paid-time off policy. Supervisors will approve paid vacation requests based on the employee's progress on work goals or milestones, status of projects, fairness to the working team, and productivity and efficiency of the employee. The Company may change compensation and benefits from time to time in its discretion.

Equity

The Company previously granted you an option to purchase shares of the Company's common stock (the "Option"). Such Option shall continue to vest in accordance with its terms, and you will continue to be a Service Provider under such Option without any gap in service.

Confidential Information and Company Policies

As a Company employee, you will be expected to abide by Company rules and policies. As a condition of employment, you must sign and comply with the attached Employee Confidential Information and Inventions Assignment Agreement which prohibits unauthorized use or disclosure of the Company's proprietary information, among other obligations.

By signing this letter you are representing that you have full authority to accept this position and perform the duties of the position without conflict with any other obligations and that you are not involved in any situation that might create, or appear to create, a conflict of interest with respect to your loyalty or duties to the Company. You specifically warrant that you are not subject to an employment agreement or restrictive covenant preventing full performance of your duties to the Company. You agree not to bring to the Company or use in the performance of your responsibilities at the Company any materials or documents of a former employer that are not generally available to the public, unless you have obtained express written authorization from the former employer for their possession and use. You also agree to honor all obligations to former employers during your employment with the Company.

At-Will Employment and Exempt Status

Your employment with the Company will be "at-will." You may terminate your employment with the Company at any time and for any reason whatsoever simply by notifying the Company. Likewise, the Company may terminate your employment at any time, with or without cause or advance notice. Your employment at-will status can only be modified in a written agreement signed by you and by an officer of the Company.

As a full-time exempt salaried employee, you will be expected to work the Company's normal business hours as well as additional hours as required by the nature of your work assignments, and you will not be eligible for overtime compensation.

Conditions, Dispute Resolution, and Complete Agreement

This offer is contingent upon a satisfactory reference check and satisfactory proof of your right to work in the United States. If the Company informs you that you are required to complete a background check, this offer is contingent upon satisfactory clearance of such background check. You agree to assist as needed and to complete any documentation at the Company's request to meet these conditions.

To aid the rapid and economical resolution of disputes that may arise in connection with your employment with the Company, and in exchange for the mutual promises contained in this offer letter agreement, you and the Company agree that any and all disputes, claims, or causes of action, in law or equity, including but not limited to statutory claims, arising from or relating to the enforcement, breach, performance, or interpretation of this letter agreement, your employment with the Company, or the termination of your employment, shall be resolved to the fullest extent permitted by law, by final, binding and confidential arbitration conducted by JAMS, Inc. ("JAMS") or its successor, under JAMS' then applicable rules and procedures appropriate to the relief being sought (available upon request and also currently available at the following web address:

(i) <https://www.jamsadr.com/rules-employment-arbitration/>) and (ii) <https://www.jamsadr.com/rules-comprehensive-arbitration/>) at a location closest to where you last worked for the Company or another mutually agreeable location. **You acknowledge that by agreeing to this arbitration procedure, both you and the Company waive the right to resolve any such dispute through a trial by jury or judge.** The Federal Arbitration Act, 9 U.S.C. § 1 et seq., will, to the fullest extent permitted by law, govern the interpretation and enforcement of this arbitration agreement and any arbitration proceedings. This provision shall not be mandatory for any claim or cause of action to the extent

applicable law prohibits subjecting such claim or cause of action to mandatory arbitration and such applicable law is not preempted by the Federal Arbitration Act or otherwise invalid (collectively, the "Excluded Claims"), such as non-individual claims that cannot be waived under applicable law, claims or causes of action alleging sexual harassment or a nonconsensual sexual act or sexual contact, or unemployment or workers' compensation claims brought before the applicable state governmental agency. In the event you or the Company intend to bring multiple claims, including one of the Excluded Claims listed above, the Excluded Claims may be filed with a court, while any other claims will remain subject to mandatory arbitration. You acknowledge and agree that proceedings of any non-individual claim(s) under the California Private Attorneys General Act ("PAGA") that may be brought in court shall be stayed for the duration and pending a final resolution of the arbitration of any individual or individual PAGA claim. Nothing herein prevents you from filing and pursuing proceedings before a federal or state governmental agency, although if you choose to pursue a claim following the exhaustion of any applicable administrative remedies, that claim would be subject to this provision. In addition, with the exception of Excluded Claims arising out of 9 U.S.C. § 401 et seq., all claims, disputes, or causes of action under this section, whether by you or the Company, must be brought in an individual capacity, and shall not be brought as a plaintiff (or claimant) or class member in any purported class, representative, or collective proceeding, nor joined or consolidated with the claims of any other person or entity. **You acknowledge that by agreeing to this arbitration procedure, both you and the Company waive all rights to have any dispute be brought, heard, administered, resolved, or arbitrated on a class, representative, or collective action basis.** The arbitrator may not consolidate the claims of more than one person or entity, and may not preside over any form of representative or class proceeding. If a court finds, by means of a final decision, not subject to any further appeal or recourse, that the preceding sentences regarding class, representative, or collective claims or proceedings violate applicable law or are otherwise unenforceable, as to a particular claim or request for relief, the parties agree that any such claim(s) or request(s) for relief be severed from the arbitration and may proceed in a court of law rather than by arbitration. All other claims or requests for relief shall be arbitrated. You will have the right to be represented by legal counsel at any arbitration proceeding. Questions of whether a claim is subject to arbitration and procedural questions which grow out of the dispute and bear on the final disposition are matters for the arbitrator to decide, provided however, that if required by applicable law, a court and not the arbitrator may determine the enforceability of this paragraph with respect to Excluded Claims. The arbitrator shall: (a) have the authority to compel adequate discovery for the resolution of the dispute and to award such relief as you or the Company would otherwise be entitled to seek in a court of law; and (b) issue a written statement signed by the arbitrator regarding the disposition of each claim and the relief, if any, awarded as to each claim, the reasons for the award, and the arbitrator's essential findings and conclusions on which the award is based. The Company shall pay all JAMS arbitration administrative fees in excess of the administrative fees that you would be required to pay if the dispute were decided in a court of law. Each party is responsible for its own attorneys' fees, except as may be expressly set forth in your Employee Confidential Information and Inventions Assignment Agreement or as otherwise provided under applicable law. Nothing in this letter agreement is intended to prevent either you or the Company from obtaining injunctive relief in court to prevent irreparable harm pending the conclusion of any such arbitration. Any awards or orders in such arbitrations may be entered and enforced as judgments in the federal and state courts of any competent jurisdiction.

This letter, together with your Employee Confidential Information and Inventions Assignment Agreement, forms the complete and exclusive statement of your employment agreement with the Company. It supersedes any other agreements or promises made to you by anyone, whether oral or written. You acknowledge and agree that you are not relying on any representations other than the terms set forth in this letter and your Employee Confidential Information and Inventions Assignment Agreement. Changes in your employment terms, other than those changes expressly reserved to the Company's discretion in this letter, require a written modification signed by an officer of the Company. If any provision of this offer letter agreement is determined to be invalid or unenforceable, in whole or in part, this determination shall not affect any other provision of this offer letter agreement and the provision in question shall be modified

so as to be rendered enforceable in a manner consistent with the intent of the parties insofar as possible under applicable law. This letter may be executed in counterparts and may be delivered and executed via electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act or other applicable law) or other transmission method and shall be deemed to have been duly and validly delivered and executed and be valid and effective for all purposes.

* * *

Please sign and date this letter, and the enclosed Employee Confidential Information and Inventions Assignment Agreement and return them to me, if you wish to accept employment at the Company under the terms described above.

We look forward to your favorable reply and to a productive and enjoyable work relationship.

Sincerely,

/s/ Ken Song

Ken Song, President and CEO

Understood and Accepted:

/s/ Timothy Lu

Timothy Lu

7/17/2024

Date

Attachment: Employee Confidential Information and Inventions Assignment Agreement



7/23/2024

Candid Therapeutics, Inc.
11622 El Camino Real, Suite 150,
San Diego, California 92130

Re: Employment Terms

Dear Arvind:

Candid Therapeutics, Inc. (the "Company") is pleased to offer you employment beginning on 7/29/2024 (the "Start Date").

Position

Your initial position will be Chief Financial Officer and Chief Business Officer, responsible for performing such duties as are assigned to you from time to time, reporting to me. You will work in Company's headquarters in San Diego, CA. Of course, the Company may change your position, duties, and work location from time to time in its discretion.

Compensation and Benefits

Your initial base salary will be paid at the rate of \$425,000 per year, less payroll deductions and withholdings, paid on the Company's normal payroll schedule.

If you join the Company, you will also be eligible to earn an annual discretionary bonus of up to 40% of your annual salary, subject to approval of a bonus plan by the board of directors and in accordance with the terms of such approved plan. The paid out amount of this bonus will be determined in the sole discretion of the Company and based, in part, on your performance and the performance of the Company during the calendar year, as well as any other criteria the Company deems relevant. The bonus is not earned until paid and no pro-rated amount will be paid if your employment terminates for any reason prior to the payment date.

During your employment, you will be eligible to participate in the benefits plans offered to similarly situated employees by the Company from time to time, subject to plan terms and generally applicable Company policies. Upon commencement of your employment with the Company, you will be eligible to accrue 15 days of paid-time off annually, in accordance with the Company's standard paid-time off policy. Supervisors will approve paid vacation requests based on the employee's progress on work goals or milestones, status of projects, fairness to the working team, and productivity and efficiency of the employee. The Company may change compensation and benefits from time to time in its discretion.

Equity

The Company previously granted you an option to purchase shares of the Company's common stock (the "Option"). Such Option shall continue to vest in accordance with its terms, and you will continue to be a Service Provider under such Option without any gap in service.

Confidential Information and Company Policies

As a Company employee, you will be expected to abide by Company rules and policies. As a condition of employment, you must sign and comply with the attached Employee Confidential Information and Inventions Assignment Agreement which prohibits unauthorized use or disclosure of the Company's proprietary information, among other obligations.

By signing this letter you are representing that you have full authority to accept this position and perform the duties of the position without conflict with any other obligations and that you are not involved in any situation that might create, or appear to create, a conflict of interest with respect to your loyalty or duties to the Company. You specifically warrant that you are not subject to an employment agreement or restrictive covenant preventing full performance of your duties to the Company. You agree not to bring to the Company or use in the performance of your responsibilities at the Company any materials or documents of a former employer that are not generally available to the public, unless you have obtained express written authorization from the former employer for their possession and use. You also agree to honor all obligations to former employers during your employment with the Company.

At-Will Employment and Exempt Status

Your employment with the Company will be "at-will." You may terminate your employment with the Company at any time and for any reason whatsoever simply by notifying the Company. Likewise, the Company may terminate your employment at any time, with or without cause or advance notice. Your employment at-will status can only be modified in a written agreement signed by you and by an officer of the Company.

As a full-time exempt salaried employee, you will be expected to work the Company's normal business hours as well as additional hours as required by the nature of your work assignments, and you will not be eligible for overtime compensation.

Conditions, Dispute Resolution, and Complete Agreement

This offer is contingent upon a satisfactory reference check and satisfactory proof of your right to work in the United States. If the Company informs you that you are required to complete a background check, this offer is contingent upon satisfactory clearance of such background check. You agree to assist as needed and to complete any documentation at the Company's request to meet these conditions.

To aid the rapid and economical resolution of disputes that may arise in connection with your employment with the Company, and in exchange for the mutual promises contained in this offer letter agreement, you and the Company agree that any and all disputes, claims, or causes of action, in law or equity, including but not limited to statutory claims, arising from or relating to the enforcement, breach, performance, or interpretation of this letter agreement, your employment with the Company, or the termination of your employment, shall be resolved to the fullest extent permitted by law, by final, binding and confidential arbitration conducted by JAMS, Inc. ("JAMS") or its successor, under JAMS' then applicable rules and procedures appropriate to the relief being sought (available upon request and also currently available at the following web address:

(i) <https://www.jamsadr.com/rules-employment-arbitration/>) and (ii) <https://www.jamsadr.com/rules-comprehensive-arbitration/>) at a location closest to where you last worked for the Company or another mutually agreeable location. **You acknowledge that by agreeing to this arbitration procedure, both you and the Company waive the right to resolve any such dispute through a trial by jury or judge.** The Federal Arbitration Act, 9 U.S.C. § 1 et seq., will, to the fullest extent permitted by law, govern the interpretation and enforcement of this arbitration agreement and any arbitration proceedings. This provision shall not be mandatory for any claim or cause of action to the extent

applicable law prohibits subjecting such claim or cause of action to mandatory arbitration and such applicable law is not preempted by the Federal Arbitration Act or otherwise invalid (collectively, the "Excluded Claims"), such as non-individual claims that cannot be waived under applicable law, claims or causes of action alleging sexual harassment or a nonconsensual sexual act or sexual contact, or unemployment or workers' compensation claims brought before the applicable state governmental agency. In the event you or the Company intend to bring multiple claims, including one of the Excluded Claims listed above, the Excluded Claims may be filed with a court, while any other claims will remain subject to mandatory arbitration. You acknowledge and agree that proceedings of any non-individual claim(s) under the California Private Attorneys General Act ("PAGA") that may be brought in court shall be stayed for the duration and pending a final resolution of the arbitration of any individual or individual PAGA claim. Nothing herein prevents you from filing and pursuing proceedings before a federal or state governmental agency, although if you choose to pursue a claim following the exhaustion of any applicable administrative remedies, that claim would be subject to this provision. In addition, with the exception of Excluded Claims arising out of 9 U.S.C. § 401 et seq., all claims, disputes, or causes of action under this section, whether by you or the Company, must be brought in an individual capacity, and shall not be brought as a plaintiff (or claimant) or class member in any purported class, representative, or collective proceeding, nor joined or consolidated with the claims of any other person or entity. **You acknowledge that by agreeing to this arbitration procedure, both you and the Company waive all rights to have any dispute be brought, heard, administered, resolved, or arbitrated on a class, representative, or collective action basis.** The arbitrator may not consolidate the claims of more than one person or entity, and may not preside over any form of representative or class proceeding. If a court finds, by means of a final decision, not subject to any further appeal or recourse, that the preceding sentences regarding class, representative, or collective claims or proceedings violate applicable law or are otherwise unenforceable, as to a particular claim or request for relief, the parties agree that any such claim(s) or request(s) for relief be severed from the arbitration and may proceed in a court of law rather than by arbitration. All other claims or requests for relief shall be arbitrated. You will have the right to be represented by legal counsel at any arbitration proceeding. Questions of whether a claim is subject to arbitration and procedural questions which grow out of the dispute and bear on the final disposition are matters for the arbitrator to decide, provided however, that if required by applicable law, a court and not the arbitrator may determine the enforceability of this paragraph with respect to Excluded Claims. The arbitrator shall: (a) have the authority to compel adequate discovery for the resolution of the dispute and to award such relief as you or the Company would otherwise be entitled to seek in a court of law; and (b) issue a written statement signed by the arbitrator regarding the disposition of each claim and the relief, if any, awarded as to each claim, the reasons for the award, and the arbitrator's essential findings and conclusions on which the award is based. The Company shall pay all JAMS arbitration administrative fees in excess of the administrative fees that you would be required to pay if the dispute were decided in a court of law. Each party is responsible for its own attorneys' fees, except as may be expressly set forth in your Employee Confidential Information and Inventions Assignment Agreement or as otherwise provided under applicable law. Nothing in this letter agreement is intended to prevent either you or the Company from obtaining injunctive relief in court to prevent irreparable harm pending the conclusion of any such arbitration. Any awards or orders in such arbitrations may be entered and enforced as judgments in the federal and state courts of any competent jurisdiction.

This letter, together with your Employee Confidential Information and Inventions Assignment Agreement, forms the complete and exclusive statement of your employment agreement with the Company. It supersedes any other agreements or promises made to you by anyone, whether oral or written. You acknowledge and agree that you are not relying on any representations other than the terms set forth in this letter and your Employee Confidential Information and Inventions Assignment Agreement. Changes in your employment terms, other than those changes expressly reserved to the Company's discretion in this letter, require a written modification signed by an officer of the Company. If any provision of this offer letter agreement is determined to be invalid or unenforceable, in whole or in part, this determination shall not affect any other provision of this offer letter agreement and the provision in question shall be modified

so as to be rendered enforceable in a manner consistent with the intent of the parties insofar as possible under applicable law. This letter may be executed in counterparts and may be delivered and executed via electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act or other applicable law) or other transmission method and shall be deemed to have been duly and validly delivered and executed and be valid and effective for all purposes.

* * *

Please sign and date this letter, and the enclosed Employee Confidential Information and Inventions Assignment Agreement and return them to me, if you wish to accept employment at the Company under the terms described above.

We look forward to your favorable reply and to a productive and enjoyable work relationship.

Sincerely,

/s/ Ken Song
Ken Song, President and CEO

Understood and Accepted:

<u>/s/ Arvind Kush</u>	<u>7/25/2024</u>
Arvind Kush	Date

Attachment: Employee Confidential Information and Inventions Assignment Agreement

CERTAIN INFORMATION CONTAINED IN THIS EXHIBIT, MARKED BY [***], HAS BEEN EXCLUDED FROM THIS EXHIBIT BECAUSE THE REGISTRANT HAS DETERMINED THAT IT IS BOTH NOT MATERIAL AND IS THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL.

LICENSE AGREEMENT

THIS LICENSE AGREEMENT (the “*Agreement*”) is entered into as of August 2, 2024 (the “*Effective Date*”), by and between TRC 2004, INC., a Delaware corporation having a registered address at 251 Little Falls Drive Wilmington, county of New Castle, Delaware 19808 (“*Licensee*”) and GENOR BIOPHARMA CO LTD. (嘉和生物药业有限公司, in Chinese), a limited liability company having an address at Room 501-02, Bldg. 6, No. 690 Bibo Road, China (Shanghai) Pilot Free Trade Zone, Shanghai, China (“*Licensor*”). Licensee and Licensor may be referred to herein individually as a “*Party*” or collectively as the “*Parties*”.

RECITALS

WHEREAS, Licensor owns or otherwise controls certain antibody and patents, know-how, and other intellectual property relating to such antibody;

WHEREAS, Licensee is engaged in the business of the development and commercialization of pharmaceutical products; and

WHEREAS, Licensee desires to obtain an exclusive license to develop, manufacture, commercialize and otherwise exploit the Licensed Antibody and Licensed Products in the Licensed Field in the Territory (each as defined below) and Licensor desires to grant to Licensee such license.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Licensee and Licensor hereby agree as follows:

1. DEFINITIONS

1.1 “[***]” has the meaning set forth in Section 1.2.

1.2 “[***]” means [***].

1.3 “*Accounting Standards*” means United States Generally Accepted Accounting Principles (GAAP) or International Financial Reporting Standards (IFRS), as consistently applied by Licensee or its Affiliates or Sublicensees, as applicable.

1.4 “*Affiliate*” means, with respect to a party, any entity that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with such party, but for only so long as such control exists. As used in this Section 1.4, “control” means (a) to possess, directly or indirectly, the power to direct the management or policies of a party, whether through ownership of voting securities, by contract relating to voting rights or corporate governance; or (b) direct or indirect beneficial ownership of more than fifty percent (50%) (or such lesser percentage which is the maximum allowed to be owned by a foreign corporation in a particular jurisdiction) of the voting share capital or other equity interest in a party. [***].

1.5 “*Applicable Laws*” means applicable laws, statutes, ordinances, rules, regulations, guidances and orders of any Governmental Authority having jurisdiction over or related to the subject item.

1.6 “*Applicable Territory*” means (a) with respect to Licensee, the Territory and (b) with respect to Licensor, the Retained Territory.

1.7 “[***]” has the meaning set forth in Section 2.8(a).

1.8 “*Auditor*” has the meaning set forth in Section 7.4.

1.9 [***].

1.10 “*Calendar Quarter*” means each respective period of three (3) consecutive months ending on March 31, June 30, September 30, and December 31; provided that (a) the first Calendar Quarter of the Term shall begin on the Effective Date and end on the first to occur of March 31, June 30, September 30, and December 31 thereafter; and (b) the final Calendar Quarter of the Term shall end on the last day of the Term.

1.11 “*Calendar Year*” means each respective period of twelve (12) consecutive months ending on December 31; provided that (a) the first Calendar Year of the Term shall begin on the Effective Date and end on December 31 of the calendar year in which the Effective Date falls, and (b) the final Calendar Year of the Term shall end on the last day of the Term.

1.12 “*Change of Control*” of a Party means any of the following: (a) the acquisition of such Party by a Third Party by means of one transaction or series of related transactions (including, without limitation, any combination, reorganization, merger or consolidation, but excluding any such transaction effected primarily for the purpose of changing the domicile of such Party), unless the holders of beneficial ownership of such Party immediately prior to such transaction or series of related transactions hold, immediately after such transaction or series of related transactions, directly or indirectly, at least fifty percent (50%) of the voting power of the entity resulting from such transaction; (b) a sale or other transfer of all or substantially all of the assets of such Party to a Third Party by means of one transaction or series of related transactions, or (c) the direct or indirect acquisition by a Third Party of beneficial ownership of fifty percent (50%) or more of the then-outstanding voting securities of such Party, provided that, in any case ((a), (b) or (c)), the sale by a Party of its voting securities in one or series of related transactions for the purposes of raising funds or capital will not constitute a Change of Control hereunder.

1.13 “*Claim*” has the meaning set forth in Section 10.1.

1.14 “*Clinical Study Report*” means a report containing the results of a Clinical Trial of a pharmaceutical product that is consistent in content and format with Applicable Laws and with the guidelines of the International Conference on Harmonisation of Technical Requirements for Registration of Pharmaceuticals for Human Use (ICH) on Structure and Content of Clinical Study Reports.

1.15 “*Clinical Trial*” means a clinical study in which a pharmaceutical product is administered to human subjects that is designed to (a) establish that the pharmaceutical product is reasonably safe for continued testing; (b) investigate the safety and efficacy of the pharmaceutical product for its intended use, and to define warnings, precautions and adverse reactions that may be associated with the pharmaceutical product in the dosage range to be prescribed; (c) support Regulatory Approval of the pharmaceutical product or label expansion of the pharmaceutical product; or (d) obtain, support or maintain marketing approval, including any and all post-marketing commitments.

1.16 “Combination Product” means a Licensed Product that is (a) sold in the form of a combination that contains or comprises a Licensed Antibody together with one or more other therapeutically active pharmaceutical agents or ingredients (whether co-formulated or co-packaged or otherwise sold under one pricing scheme) that is not a Licensed Antibody or (b) sold under one pricing scheme together with any (i) delivery device or component therefor, (ii) companion diagnostic test related to any Licensed Product or (iii) product, process, service, or therapy other than a Licensed Antibody (such additional therapeutically active pharmaceutical agent or ingredient in subclause (a) and each device, component, test, product, process, service and therapy in subclauses (b)(i), (b)(ii) and (b)(iii), an “**Other Product**”).

1.17 “Commercialization” means the conduct of all activities undertaken before and after Regulatory Approval relating to the promotion, sales, marketing, and distribution (including importing, exporting, transporting, customs clearance, warehousing, invoicing, handling, and delivering products to customers) of products, including sales force efforts, detailing, advertising, market research, market access (including price and reimbursement activities), marketing, sales force training, and sales (including receiving, accepting, and filling product orders). In addition, although not involving promotion or sales, medical affairs, including medical education and information services, scientific, advisory and collaborative activities with opinion leaders and professional societies, including symposia, and medical support, shall be included within the definition of “Commercialization” for purposes of this Agreement. “**Commercialize**” and “**Commercializing**” have correlative meanings.

1.18 “Commercially Reasonable Efforts” means, with respect to a Party’s obligations to Develop, seek MAA Approval, manufacture and sell, or Commercialize a Licensed Product under this Agreement, those efforts and resources that a pharmaceutical company of similar size as such Party would use in the development, manufacture, and commercialization of a pharmaceutical product owned by such company, which is at a similar stage of research, development, or commercialization, is in a similar therapeutic and disease area, and is of similar market potential, taking into account (a) such product’s: (i) profile of efficacy and safety; (ii) proprietary position, including patent and regulatory exclusivity; (iii) regulatory status, including likelihood of obtaining and timing of regulatory approval, anticipated or approved labeling and anticipated or approved post-approval requirements; (iv) profitability (including pricing and reimbursement status achieved or likely to be achieved); and (v) present and future market and commercial potential, including competitive market conditions and the expected and actual profitability and return on investment; (b) the expected and actual competitiveness of alternative Third Party products (including generic or biosimilar products) under development or sold in the marketplace; (c) issues regarding the ability to manufacture, have manufactured or obtain adequate supply of product; and (d) all other relevant factors, including technical, legal, scientific, commercial and medical factors. [***].

1.19 “Competing Product” means any antibody that is Directed to both [***] and [***] and [***], or any product comprising or containing such antibody, other than the Licensed Antibody or Licensed Products pursuant to this Agreement. For clarity, an antibody that is Directed to (a) [***], (b) [***], or (c) [***], and any product comprising or containing any such antibody described in the foregoing (a), (b) or (c) shall not be deemed Competing Product under this Agreement.

1.20 “Conditional Approval” means, Regulatory Approval that requires, as a condition of such approval, additional (or a continuation of) clinical trials or clinical studies for a Licensed Product to obtain further safety or efficacy data, including, (i) accelerated Regulatory Approval in accordance with 21 CFR § 314.500 et seq. by the FDA in the United States, (ii) conditional Regulatory Approval in accordance with Commission Regulation (EC) No 507/2006 by the EMA in the EU, or (iii) conditional Regulatory Approval in accordance with PSEHB/PED Notification No. 1020-1 by the PMDA in Japan, or their foreign equivalents.

1.21 “Confidential Information” means all Know-How and other proprietary scientific, marketing, financial, or commercial information or data that is generated by or on behalf of a Party or its Affiliates or which one Party or any of its Affiliates has supplied or otherwise made available to the other Party or its Affiliates, whether made available orally, in writing, or in electronic form, including information comprising or relating to concepts, discoveries, inventions, data, designs, or formulae in relation to this Agreement. Confidential Information shall include: (a) the terms and conditions of this Agreement, and (b) confidential information disclosed by the Parties or their Affiliates pursuant to any confidentiality agreement entered into by the Parties or their Affiliates prior to the Effective Date. Notwithstanding the foregoing, all Licensed Know-How shall be deemed the Confidential Information of both Parties.

1.22 “Control” or “Controlled” means, with respect to any Know-How, Patents, Regulatory Filing or other intellectual property rights, the legal authority or right (whether by ownership, license, or otherwise, but without taking into account the license granted pursuant to [Section 2.1](#) or [Section 2.2](#)) of a Party or any of its Affiliates to grant access, a license, or a sublicense of, to or under such Know-How, Patents, Regulatory Filing or other intellectual property rights to the other Party, or to otherwise disclose proprietary or trade secret information to such other Party, without breaching the terms of any then-existing agreement with a Third Party. Notwithstanding the foregoing:

(a) in the event a Party undergoes a Change of Control (such Third Party acquiror and its Affiliates immediately prior to such Change of Control, collectively the “**Acquiring Entities**” and individually an “**Acquiring Entity**”), then such Party will not be deemed to “Control” any material, Know-How, Patents or intellectual property right that, (i) prior to the effective date of such Change of Control, is owned or in-licensed by any Acquiring Entity that becomes an Affiliate of such acquired Party after the Effective Date as a result of such Change of Control or (ii) is developed by any Acquiring Entity after the effective date of such Change of Control without accessing or practicing the Licensed IP or Confidential Information of either Party (such material, Know-How, Patents and other intellectual property right, collectively, the “**CoC IP**”) unless (A) prior to the effective date of such Change of Control, such acquired Party or any of its Affiliates also Controlled such CoC IP, or (B) CoC IP owned or in-licensed by the applicable Acquiring Entity was not used in the performance of activities under this Agreement prior to the effective date of such Change of Control, but after the effective date of such Change of Control, such acquired Party or any of its Affiliates uses any such CoC IP in the performance of its obligations or exercise of its rights under this Agreement, in each of which cases ((A) and (B)), such CoC IP will be deemed “Controlled” by such acquired Party for purposes of this Agreement; and

(b) subject to [Section 2.7](#), with respect to any Know-How, Patents or other intellectual property right acquired by a Party or any Affiliate thereof from a Third Party after the Effective Date (by ownership, license or other right), such Party or such Affiliate shall be deemed to “Control” such Know-How, Patents or other intellectual property right only if: (i) such Party or its Affiliate possesses the right to grant such access, disclosure, license, sublicense, or other right thereto to the other Party hereunder (if applicable); (ii) the other Party first agrees in writing to pay all royalties and other consideration that may become due to such Third Party as a result of the other Party’s or any of its Affiliates’ or sublicensees’ use or practice of such Know-How, Patents or other intellectual property right as applicable, under this Agreement (which shall be in addition to the other Party’s obligation to pay all royalties and other consideration payable under this Agreement, if applicable); and (iii) the other Party acknowledges and agrees in writing to comply with any obligations applicable to such other Party in connection with such other Party’s use or practice of such Know-How, Patents or other intellectual property right as applicable.

1.23 “Cover” means, with respect to a particular subject matter at issue and a relevant Patent, that, in the absence of ownership of or a license under such Patent, the manufacture, use, sale, offer for sale, or importation of such subject matter would infringe one or more claims of such Patent (or, in the case of a claim of a pending patent application, would infringe such claim if it were to issue as a claim of an issued patent).

1.24 “Data Breach” has the meaning set forth in [Section 9.2\(f\)\(v\)](#).

1.25 “Data Protection Laws” means any Applicable Law that relates to the protection of individuals with regards to the Processing of Personal Data to which a Party is subject.

1.26 “Development” means all research and development activities for a product (whether alone or for use together, or in combination, with another active agent or pharmaceutical product as a combination product or combination therapy) that are directed to obtaining Regulatory Approval(s) of such product and lifecycle management of such product in any country in the world, including activities directed to improvement, modifications or enhancement of a product, non-clinical, preclinical, and clinical testing and studies of a product; toxicology, pharmacokinetic, and pharmacological studies; statistical analyses; assay development; protocol design and development; the preparation, filing, and prosecution of any MAA for a product; development activities directed to label expansion and/or obtaining Regulatory Approval for one or more additional indications following initial Regulatory Approval; development activities conducted after receipt of Regulatory Approval; and all regulatory affairs related to any of the foregoing. “Develop” and “Developing” have correlative meanings.

1.27 “Directed to” means, with respect to a molecule, compound or other agent and a target, that such compound, molecule or agent binds directly to such target. For clarity, the foregoing shall not include incidental binding activity, and if a molecule, compound or agent has been generated to bind to certain target(s) but such molecule, compound or agent also incidentally binds to other target(s), then such molecule, compound or agent will not be deemed to be Directed to such other target(s) unless and until a Party knowingly develops such molecule, compound or agent to be directed to such other target(s) as its intended mechanism of action.

1.28 “Dispute” has the meaning set forth in Section 13.1.

1.29 “EMA” means the European Medicines Agency, or any successor agency thereto.

1.30 “EU” means the European Union, as such entity is comprised as of the date of applicability hereunder.

1.31 “Exclusivity Period” means, with respect to a Party’s obligation under Section 2.6, the period commencing on the Effective Date and expiring on the earliest to occur of: (a) [***], (b) the [***], or (c) the [***].

1.32 “Executive Officers” means the President of Licensee or such individual’s designee and the CEO of Licensor or such individual’s designee.

1.33 “Exploit” means to research, Develop, make, have made, import, export, use, have used, sell, offer for sale, distribute, promote, market, have sold and otherwise Commercialize, register, obtain Regulatory Approval for, keep (whether for disposal or otherwise), transport or otherwise dispose of. “Exploitation” has a correlative meaning.

1.34 “Export Control Laws” means all applicable laws and regulations in all applicable jurisdictions in which either Party conducts business, which govern exports of controlled commodities, software or technology, embargoes, sanctions and boycotts, including, but not limited to, the Export Administration Regulations, the International Traffic in Arms Regulations, regulations administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury, and International Boycott Provisions of Section 999 of the U.S. Internal Revenue Code.

1.35 “FCPA” means the U.S. Foreign Corrupt Practices Act (15 U.S.C. Section 78dd-1, et. seq.), as amended.

1.36 “FDA” means the U.S. Food and Drug Administration, or any successor agency thereto.

1.37 “First Commercial Sale” means, on a Licensed Product-by-Licensed Product and country-by-country basis, the first sale by Licensee, its Affiliate or Sublicensee to a Third Party for end use of such Licensed Product in such country after Regulatory Approval has been granted with respect to such Licensed Product in such country. For clarity, sales of any Licensed Product prior to receipt of all Regulatory Approvals for such Licensed Product in a country in the Territory, such as so-called “treatment IND sales,” “named patient sales,” “compassionate use sales” and “off-label sales” or any sales prior to receipt of any Pricing Approval to the extent required for commercialization of such Licensed Product in such country, shall not be construed as a First Commercial Sale for such Licensed Product in such country.

1.38 “Force Majeure” has the meaning set forth in [Section 14.8](#).

1.39 “[*]”** has the meaning set forth in [Section 2.8\(a\)](#).

1.40 “Global Clinical Trial” has the meaning set forth in [Section 4.3\(d\)\(i\)](#).

1.41 “Global Clinical Trial Plan” has the meaning set forth in [Section 4.3\(d\)\(ii\)](#).

1.42 “Global Development Plan” has the meaning set forth in [Section 4.3\(b\)](#).

1.43 “GLP” means all applicable good laboratory practice standards, as set forth in the then-current good laboratory practice standards promulgated or endorsed by the FDA, as defined in 21 C.F.R. Part 58, and the equivalent Applicable Laws in the relevant country, as applicable, each as may be amended from time to time.

1.44 “Going Concern Event” has the meaning set forth in [Section 2.8\(a\)](#).

1.45 “Governmental Authority” means any national, international, federal, state, provincial, or local government, or political subdivision thereof, or any multinational organization or any authority, agency, or commission entitled to exercise any administrative, executive, judicial, legislative, police, regulatory, or taxing authority or power, any court or tribunal (or any department, bureau, or division thereof, or any governmental arbitrator or arbitral body).

1.46 “IND” means an investigational new drug application submitted to the FDA or equivalent application (including any clinical trial application) submitted to the applicable Regulatory Authority in a country outside the U.S., which application is required to commence Clinical Trials in the applicable country.

1.47 “Indemnified Party” has the meaning set forth in [Section 10.3](#).

1.48 “Indemnifying Party” has the meaning set forth in [Section 10.3](#).

1.49 “Independent Product” has the meaning set forth in [Section 1.113](#).

1.50 “Indication” means a separate and distinct disease, disorder, illness, or health condition and its associated signs, symptoms, stages, or progression (including precursor conditions), in each case for which a separate MAA is filed or a separate Registrational Study is required to obtain a MAA Approval in a given country. Notwithstanding the foregoing, the following, in each case, shall be treated as distinct Indications: (a) the treatment of a disease, disorder, or condition in a particular patient population and the treatment of the same disease, disorder, or condition in another population (e.g., adult population and pediatric population), (b) different stages of disease or different treatment settings (e.g., adjuvant and metastatic), (c) different lines of therapy for the same disease (e.g., 1st line treatment and 2nd line treatment), (d) for the same disease, different biomarker subsets, different genetic subtypes, different organs or origins, or different histology, and (e) combinations of a Licensed Product with different products to treat the same disease or condition.

1.51 “Initiation” means, with respect to a Clinical Trial, the first dosing of the first (1st) human subject in such Clinical Trial.

1.52 “Inventions” means all data, results, discovery, finding, process, improvement, method, composition of matter, article of manufacture, and other inventions, whether or not patentable, discovered, made, conceived, or reduced to practice, in the course of activities performed under this Agreement, together with all intellectual property rights therein.

1.53 “IP Dispute” has the meaning set forth in [Section 13.3](#).

1.54 “Joint IP” has the meaning set forth in [Section 8.1\(b\)](#).

1.55 “Joint Know-How” has the meaning set forth in [Section 8.1\(b\)](#).

1.56 “Joint Patent” has the meaning set forth in [Section 8.1\(b\)](#).

1.57 “Joint Steering Committee” or the “JSC” has the meaning set forth in [Section 3.1](#).

1.58 “Know-How” means (a) any and all know-how or information including trade secrets, Inventions (whether patentable or not, and including data or descriptions contained in unpublished patent applications), methods, knowledge, skill, experience, research and development data and results (including medicinal chemistry data, preclinical data, pharmacological, toxicological and clinical test data and results (including investigator reports (both preliminary and final), statistical analyses, expert opinions and reports, safety and other electronic databases), chemical structure, sequences, processes, formulae, techniques, research data, reports, standard operating procedures and batch records), product specifications, study designs and protocols, assays and biological methodology, analytical and quality control data, analytical methods (including applicable reference standards), full batch documentation, packaging records, release, stability, storage and shelf-life data, and manufacturing process information, results or descriptions, (b) databases, practices, techniques, specifications, formulations, formulae, software and algorithms, (c) if applicable, physical materials, reagents and compositions of matter, including chemical or biological materials, in each case, whether patentable or not, and (d) tangible manifestations of any of the foregoing.

1.59 “Licensee Global Trial Data” has the meaning set forth in [Section 4.3\(d\)\(iv\)](#).

1.60 “Licensee Indemnatee” has the meaning set forth in [Section 10.2](#).

1.61 “Licensee IP” means Licensee Patents and Licensee Know-How.

1.62 “Licensee Know-How” means all Know-How, including Licensee’s interest in Joint Know-How, that (a) is Controlled by Licensee or any of its Affiliates after the Effective Date during the Term (other than through the licenses granted by Licensor under [Section 2.1](#)), (b) is developed, discovered, made, conceived, or reduced to practice in the course of Developing, manufacturing or Commercializing any Licensed Antibody or Licensed Product under this Agreement, or actually embodied in the Licensed Antibody or Licensed Product by Licensee or any of its Affiliates, and (c) is necessary or reasonably useful for the Development, manufacture, use, Commercialization or other Exploitation of any Licensed Antibody or Licensed Product in the Licensed Field in the Retained Territory (or Terminated Countries, as applicable), in each case excluding any Know-How to the extent solely relating to (i) any other component that is proprietary to Licensee or any of its Affiliates (such as proprietary antibody or fragments or variants, or any linker or payload) incorporated in any Licensed Antibody or Licensed Product by or on behalf of Licensee or any of its Affiliates, or (ii) any Other Product.

1.63 “Licensee Patents” means all Patents, including Licensee’s interest in Joint Patents, that (a) is Controlled by Licensee or any of its Affiliates after the Effective Date during the Term (other than through the licenses granted by Licensor under [Section 2.1](#)), and (b) (i) Cover any Licensee Know-How, Licensed Antibody, or Licensed Product in each case in the form Developed or Commercialized by Licensee or any of its Affiliates, or (ii) are necessary (or, with respect to Patent applications, would be necessary if such Patent applications were to issue as Patents) for, the Development, manufacture, use,

Commercialization or other Exploitation of any Licensed Antibody or Licensed Product in the Licensed Field in the Retained Territory (or Terminated Countries, as applicable), in each case excluding any Patents to the extent solely Covering (x) any other component that is proprietary to Licensee or any of its Affiliates (such as proprietary antibody or fragments or variants, or any linker or payload) incorporated in any Licensed Antibody or Licensed Product by or on behalf of Licensee or any of its Affiliates, or (y) any Other Product.

1.64 “Licensee Reversion Technology” means on a Terminated Product-by-Terminated Product basis, all Licensee IP existing as of the date of such termination and actually embodied in such Terminated Product existing as of the date of termination then under Development by Licensee or approved by the applicable Regulatory Authority and in the Terminated Country(ies) by or on behalf of Licensee or any of its Affiliates under this Agreement, provided that Licensee Reversion Technology shall not include any Licensee IP that is generally applicable to Licensee’s other products (including manufacturing, formulation or delivery technology) unless Licensee otherwise agrees in its sole discretion.

1.65 “Licensed Antibody” means (a) GB261, a bispecific antibody that is Directed to CD20 and CD3, as further described in Schedule 1.65; and (b) [***], which shall be [***].

1.66 “Licensed Field” means the diagnosis, treatment, or prevention of disease in humans and animals.

1.67 “Licensed IP” means Licensed Patents and Licensed Know-How.

1.68 “Licensed Know-How” means all Know-How, including Licensor’s interest in Joint Know-How, that is Controlled by Licensor or any of its Affiliates as of the Effective Date or during the Term that is necessary or reasonably useful for the Development, manufacture, use, Commercialization or other Exploitation of any Licensed Antibody or Licensed Product in the Licensed Field in the Territory, in each case excluding any Know-How to the extent solely relating to (i) any other component that is proprietary to Licensor or any of its Affiliates (such as proprietary antibody or fragments or variants that is not a Licensed Antibody, or any linker or payload), or (ii) any Other Product.

1.69 “Licensed Patents” means all Patents, including Licensor’s interest in Joint Patents, that are Controlled by Licensor or any of its Affiliates as of the Effective Date or during the Term that (a) Cover any Licensed Know-How, Licensed Antibody, or Licensed Product, or (b) are necessary or reasonably useful (or, with respect to Patent applications, would be necessary or useful if such Patent applications were to issue as Patents) for the Development, manufacture, use, Commercialization or other Exploitation of any Licensed Antibody or Licensed Product in the Licensed Field in the Territory, in each case excluding any Patents to the extent solely Covering (x) any other component that is proprietary to Licensor or any of its Affiliates (such as proprietary antibody or fragments or variants that is not a Licensed Antibody, or any linker or payload), or (y) any Other Product. The Licensed Patents as of the Effective Date are listed in Schedule 1.69.

1.70 “Licensed Product” means any product that contains, comprises, or incorporates a Licensed Antibody as an active agent, whether alone or in combination with other active agent or ingredients (provided that such other active agent or ingredient is not proprietary to Licensor), in any form, presentation, dosage, formulation or delivery mode, and for any mode of administration.

1.71 “Licensor China IP” means all Patents and Know-How that are Controlled by Licensor or any of its Affiliates as of the Effective Date or during the Term that is necessary or reasonably useful (or, with respect to Patent applications, would be necessary or reasonably useful if such Patent applications were to issue as Patents) for the Development, manufacture, use, Commercialization or other Exploitation of any Licensed Antibody or Licensed Product in the Licensed Field in the Retained Territory.

1.72 “**Licensor Indemnitee**” has the meaning set forth in Section 10.1.

1.73 “**Losses**” has the meaning set forth in Section 10.1.

1.74 “**MAA**” means a marketing authorization application or equivalent application (including a Biologics License Application as described in 21 C.F.R. § 601.2), and all amendments and supplements thereto, filed with the applicable Regulatory Authority in the Territory. [***].

1.75 “**MAA Approval**” means approval of an MAA by the applicable Regulatory Authority for marketing and sale of a Licensed Product in the Territory. [***].

1.76 “**Major Market Country**” means Canada, United Kingdom, France, Germany, Spain, and Italy, individually or collectively, as the context requires.

1.77 “**Master Cell Bank**” or “**MCB**” means the reference deposit or collection of vials of the cell line for manufacturing Licensed Antibody, which has been prepared from the selected single cell clone under GMP conditions, and from which all subsequent lots of Working Cell Banks are derived.

1.78 “**Net Sales**” means, with respect to a Licensed Product, the net sales recorded by or on behalf of Licensee (or any successor or assignee of Licensee) and any of its Affiliates or Sublicensees (each, a “**Selling Party**”), of such Licensed Product sold to Third Parties other than Sublicensees, as determined in accordance with the Accounting Standards consistently applied by the applicable Selling Party, less following deductions actually incurred and borne by the Selling Party and not recovered by or refunded to the Selling Party:

(a) [***];

(b) [***];

(c) [***];

(d) [***];

(e) [***]; and

(f) [***].

[***].

[***].

1.79 “Other Product” has the meaning set forth in [Section 1.16](#).

1.80 “Overall Acquisition by MNC” has the meaning set forth in [Section 2.8\(b\)](#).

1.81 “Parent” means [***], a company incorporated under the laws of [***] having its operational offices at [***], or any successor entity thereto that owns [***] of the equity interest in Licensor.

1.82 “Patents” means (a) all patents, certificates of invention, applications for certificates of invention, priority patent filings, and patent applications, and (b) any renewals, divisions, continuations (in whole or in part), or requests for continued examination of any of such patents, certificates of invention and patent applications, and any all patents or certificates of invention issuing thereon, and any and all reissues, reexaminations, extensions, supplementary protection certificates, divisions, renewals, substitutions, confirmations, registrations, revalidations, revisions, and additions of or to any of the foregoing, and all foreign counterparts of any of the foregoing.

1.83 “Personal Data” means any information that constitutes “personal information” or “personal data” under one or more Data Protection Laws or is otherwise governed, regulated, or protected by one or more Data Protection Laws.

1.84 “Phase 1 Clinical Trial” means a Clinical Trial of a product in healthy volunteers or patients to estimate the initial safety and tolerability of such product and to determine the metabolism and the pharmacokinetic and pharmacodynamic actions of such product, the side effects associated with increasing doses, and, if possible, to gain early evidence on effectiveness and on such product’s activity, or any human clinical trial of such product that would satisfy the requirements of 21CFR § 312.21(a) or corresponding foreign regulations. For clarity, a Clinical Trial that satisfies the requirements under 21 C.F.R. § 312.21(a) and is also designed to gain evidence of effectiveness (*i.e.* a phase 1b Clinical Trial) shall be a Phase 1 Clinical Trial.

1.85 “Phase 2 Clinical Trial” means a Clinical Trial of a product conducted to evaluate the effectiveness and to explore the therapeutic efficacy of a product for a particular indication or indications in patients with the disease or condition under study and to determine the common short-term side effects and risks associated with such product and to determine the dose and regimen for Phase 3 Clinical Trials, or any human clinical trial of such product that would satisfy the requirements of 21CFR § 312.21(b) or corresponding foreign regulations.

1.86 “Phase 3 Clinical Trial” means a Clinical Trial of a product that is performed after preliminary evidence suggesting effectiveness of a product has been obtained, and is intended to demonstrate or confirm the therapeutic benefit of such product and to gather the additional information about effectiveness and safety that is needed to evaluate the overall benefit-risk relationship of such product and to provide an adequate basis for marketing approval and for such product’s labeling and summary of such product characteristics, or any human clinical trial of such product that would satisfy the requirements of 21CFR § 312.21(c) or corresponding foreign regulations.

1.87 “Pricing Approval” means any governmental approval, agreement, determination, or decision establishing prices for a Licensed Product that can be charged or reimbursed in regulatory jurisdictions where the applicable Regulatory Authorities approve or determine the price or reimbursement of pharmaceutical products.

1.88 “Processing” has the meaning given to such term in the Data Protection Laws, and “Process” and “Processed” shall be construed accordingly.

1.89 “Product Infringement” has the meaning set forth in [Section 8.3\(a\)](#).

1.90 “Public Official or Entity” means (a) any officer, employee (including physicians, hospital administrators, or other healthcare professionals), agent, representative, department, agency, de facto official, representative, corporate entity, instrumentality or subdivision of any government, military, or international organization, including any ministry or department of health or any state-owned or affiliated company or hospital, or (b) any candidate for political office, any political party, or any official of a political party.

1.91 “Recall” has the meaning set forth in [Section 4.9](#).

1.92 “Registrational Study” means, a Clinical Trial of a product on sufficient numbers of patients that is designed to establish that such product is safe and efficacious for its intended use, and to define warnings, precautions and adverse reactions that are associated with such product in the dosage range to be prescribed, and is designed to support Regulatory Approval of such product or label expansion of such product, including a Phase 3 Clinical Trial.

1.93 “Regulatory Approval” means, with respect to a Licensed Product, any and all approvals (including MAA Approval), licenses, registrations, permits, notifications, and authorizations (or waivers) required by Applicable Law to distribute, sell, and market such Licensed Product in a country or region. For purposes of clarity, (a) “Regulatory Approval” in the United States include approval of an NDA, sNDA, BLA or sBLA; and (b) “Regulatory Approval” in the European Union include marketing authorization for such Licensed Product granted either by a Regulatory Authority in any country in the European Union, or by the European Medicines Agency pursuant to Council Directive 2001/83/EC, as amended, or Council Regulation 2309/93/EEC, as amended. [***].

1.94 “Regulatory Authority” means any Governmental Authority that has responsibility in its applicable jurisdiction over the testing, development, manufacture, use, storage, import, transport, promotion, marketing, distribution, offer for sale, sale, or other commercialization of pharmaceutical products in a given jurisdiction, including the FDA and EMA, or any successor agency of the foregoing having regulatory jurisdiction over the manufacture, distribution, and sale of pharmaceutical products in the Territory, and any Governmental Authority whose review or approval of pricing or reimbursement of such product is required.

1.95 “Regulatory Exclusivity” means, with respect to a Licensed Product in any country or jurisdiction in the Territory, exclusivity (other than Patent protection or patent-related exclusivity) granted or afforded by Applicable Law or by a Regulatory Authority in the applicable country or jurisdiction that confers exclusive marketing rights or data exclusivity right with respect to such Licensed Product in such country or jurisdiction and prevents another Third Party from marketing or selling such Licensed Product without the prior written consent of the MAA holder, including without limitation orphan drug exclusivity, new chemical entity exclusivity, data exclusivity, pediatric exclusivity, rights conferred in the U.S. under the Hatch-Waxman Act or the FDA Modernization Act of 1997, in EU member states under national implementations of Article 10 of Directive 2001/83/EC, and rights similar thereto in other country or jurisdiction.

1.96 “Regulatory Filing” means all applications, filings, submissions, approvals, licenses, registrations, permits, notifications, and authorizations (or waivers) with respect to the testing, Development, manufacture, or Commercialization of any Licensed Product made to or received from any Regulatory Authority in a given country, including any INDs and MAAs.

1.97 “Retained Territory” means mainland China, Hong Kong, Macau and Taiwan.

1.98 “Retained Territory Transaction” has the meaning set forth in [Section 2.4](#).

1.99 “Right of Reference” has the meaning set forth in [Section 4.6\(c\)](#).

1.100 “ROFN” has the meaning set forth in [Section 2.4](#).

1.101 “ROFN Exercise Period” has the meaning set forth in [Section 2.4](#).

1.102 “ROFN Expiry Date” has the meaning set forth in [Section 2.4](#).

1.103 “ROFN Negotiation Period” has the meaning set forth in [Section 2.4](#).

1.104 “Royalty Term” has the meaning set forth in [Section 6.4\(b\)](#).

1.105 “Rules” has the meaning set forth in [Section 13.4](#).

1.106 “Safety Data” means data related solely to any adverse or serious adverse drug experiences, adverse or serious adverse medical device experiences, and medical device malfunctions, as such information is reportable to Regulatory Authorities. Safety Data also includes “adverse events”, “adverse drug reactions”, and “unexpected adverse drug reactions” as defined in the ICH Harmonised Tripartite Guideline for Clinical Safety Data Management: Definitions and Standards for Expedited Reporting.

1.107 “Safety Data Exchange Agreement” has the meaning set forth in [Section 4.7](#).

1.108 “SEC” means the U.S. Securities and Exchange Commission, or any successor entity or its foreign equivalent in the Territory, as applicable.

1.109 “SIAC” has the meaning set forth in [Section 13.4](#).

1.110 “Strategic Reason” has the meaning set forth in [Section 8.2\(b\)](#).

1.111 “Sublicense” means any agreement however captioned and regardless of how the conveyances are referred to therein, in which Licensee or its Affiliate grants or otherwise conveys any of the rights licensed under [Section 2.1](#) to a Third Party, excluding licenses granted to contract research organizations, contract manufacturing organizations, and similar service providers, wholesalers, full-service distributors that do not promote the sale of the Licensed Product, and similar physical distributors.

1.112 “Sublicensee” means a Third Party to whom Licensee or its Affiliate grants a Sublicense to Develop, use, import, promote, offer for sale, sell, have sold, or otherwise Commercialize any Licensed Product in the Licensed Field in the Territory, beyond the mere right to purchase Licensed Products from Licensee and its Affiliates, and excluding contract research organizations, contract manufacturing organizations, and similar service providers, wholesalers, full-service distributors that do not promote the sale of the Licensed Product, and similar physical distributors. In no event shall Licensor or any of its Affiliates be deemed a Sublicensee.

1.113 “Sublicense Income” means any income received by Licensee or any of its Affiliates or its or their shareholders in consideration for the grant of Licensee’s or its Affiliates’ right with respect to Development, use, manufacturing, Commercialization and other Exploitation of the Licensed Antibody and Licensed Products, whether in the form of license issue fees, upfront payments, milestone payments, equity, option fee, maintenance fee, and other payments or consideration; provided that, if Licensee or its Affiliate receives a milestone payment from a Sublicensee for achievement of a milestone event for which Licensee is obligated to pay a milestone payment to Licensor under Section 6.2 or Section 6.3, then only the amount by which the milestone payment received by Licensee or its Affiliate exceeds the milestone payment payable to Licensor with respect to such milestone event will be treated as Sublicense Income. Notwithstanding the foregoing, Sublicense Income specifically excludes: [***].

1.114 “Term” has the meaning set forth in Section 12.1.

1.115 “Terminated Country” has the meaning set forth in Section 12.4(a).

1.116 “Terminated Product” has the meaning set forth in Section 12.4(a).

1.117 “Territory” means worldwide excluding the Retained Territory.

1.118 “Third Party” means any entity other than Licensee or Licensor or an Affiliate of either of them.

1.119 “**Third Party Infringement Claim**” has the meaning set forth in Section 8.4.

1.120 “**Third Party IP**” has the meaning set forth in Section 2.7(a).

1.121 “**Third Party Provider**” has the meaning set forth in Section 2.4.

1.122 “**U.S.**” means the United States of America, including its territories and possessions.

1.123 “**Upstream Agreement**” means any agreement between Licensor or any of its Affiliates and a Third Party pursuant which Licensor or such Affiliate, as applicable, obtains Control of any Patents or Know-How from such Third Party that constitutes Licensed IP. All Upstream Agreements existing as of the Effective Date are set forth in Schedule 1.123.

1.124 “**Valid Claim**” means (a) a claim in an issued patent that has not: (i) expired or been canceled; (ii) been declared invalid by an unreversed and unappealable (or unappealed) decision of a court or other appropriate body of competent jurisdiction; (iii) been admitted to be invalid or unenforceable through reissue, disclaimer or otherwise; or (iv) been abandoned; or (b) a claim under a pending application for a patent that was filed and is being prosecuted in good faith and that has not been pending for more than [***] (from the date of its earliest priority date), canceled, withdrawn from consideration, finally determined to be unallowable by the applicable governmental authority or court for whatever reason (and from which no appeal is or can be taken), or abandoned. If a claim of a patent application that ceased to be a Valid Claim under the foregoing subclause (b) because of the passage of time later issues as a part of a patent within the foregoing subclause (a), then it shall again be considered a Valid Claim effective as of the issuance of such patent.

1.125 “**VAT**” has the meaning set forth in Section 7.3(c).

1.126 “**Working Cell Bank**” or “**WCB**” means a vial collection of serially sub-cultivated cells expressing the Licensed Antibody that is derived from the Master Cell Bank under GMP conditions, and used to establish seed cultures for the manufacturing of drug substance.

2. LICENSE GRANT

2.1 License Granted to Licensee. Subject to the terms and conditions of this Agreement, Licensor hereby grants to Licensee, on behalf of itself and its Affiliates, (a) an exclusive (even as to Licensor and its Affiliates) license, with the right to grant sublicenses through multiple tiers (subject to Section 2.3), under the Licensed IP to Develop, use, manufacture, Commercialize and otherwise Exploit the Licensed Antibody and Licensed Products in the Licensed Field in the Territory, and (b) a non-exclusive license, with the right to grant sublicenses through multiple tiers (subject to Section 2.3), under the Licensor China IP to perform non-clinical Development, perform clinical Development (solely to the extent permitted under Section 4.3(d)) for performance of Global Clinical Trial in the Retained Territory if the Licensor elects not to participate in such proposed Global Clinical Trial), manufacture and have manufactured the Licensed Antibody and Licensed Products in the Licensed Field in the Retained Territory, solely for the purposes set forth in the foregoing subclause (a).

2.2 License Granted to Licensor. Subject to the terms and conditions of this Agreement, Licensee hereby grants to Licensor an exclusive (even as to Licensee and its Affiliates), fully-paid, royalty-free, transferable, and perpetual license (subject to Sections 12.4(a) and 12.4(g)), with the right to grant sublicenses through multiple tiers (subject to Section 2.4), under the Licensee IP to Develop, use, manufacture, Commercialize and otherwise Exploit the Licensed Antibody and Licensed Products in the Licensed Field in the Retained Territory.

2.3 Licensee Reserved Rights; Sublicensing by Licensee. Subject to Section 2.5, Licensee hereby reserves the right to practice, and to grant licenses under, the Licensee IP outside of the scope of the license granted in Section 2.2. For clarity, (a) Licensee retains the exclusive right under the Licensee IP to Develop, use, manufacture, Commercialize and otherwise Exploit the Licensed Antibody and Licensed Products in the Licensed Field in the Territory and (b) notwithstanding the license granted in Section 2.2, Licensee retains the right under the Licensee IP to perform its obligations or exercise its rights under this Agreement, including to perform non-clinical Development, perform clinical Development (solely to the extent permitted under Section 4.3(d)) for performance of Global Clinical Trial in the Retained Territory if the Licensor elects not to participate in such proposed Global Clinical Trial), manufacture and have manufactured the Licensed Antibody and Licensed Products in the Licensed Field in the Retained Territory for the purposes of Exploiting the Licensed Antibody and Licensed Products in the Licensed Field in the Territory. Licensee shall have the right to grant sublicenses under the license granted to it pursuant to Section 2.1 without the consent of Licensor. Licensee shall grant any such sublicense on terms that are consistent with the terms of this Agreement, to the extent applicable based on the scope and purpose of such sublicense, and Licensee shall remain primarily liable to Licensor for the performance by the Affiliate receiving such sublicense or Sublicensee of Licensee's obligations under this Agreement that are applicable to such Affiliate or Sublicensee. Licensee shall provide a true and complete copy of each sublicense agreement within [***] after the grant of a Sublicense, provided that Licensee shall have the right to redact from such copy any confidential or commercially sensitive terms to the extent not pertinent to Licensee's rights or obligations under this Agreement or verification of compliance with the requirements of this Agreement. Licensee shall not grant sublicense to any sublicensee that has been debarred or disqualified by a Regulatory Authority.

2.4 Licensor Reserved Rights; Sublicensing by Licensor. Subject to Section 2.5, Licensor hereby reserves the right to practice, and to grant licenses under, the Licensed IP outside of the scope of the license granted in Section 2.1. For clarity, notwithstanding the license granted in Section 2.1, Licensor retains the right under the Licensed IP to perform its obligations or exercise its rights under this Agreement. During the Term, if Licensor intends to commence *bona fide* negotiations with one or more Third Parties to grant any license, covenant not to sue or similar right (including any option therefor), directly or indirectly, to such Third Party under the Licensed IP, Licensor China IP or Licensee IP to Develop, use, manufacture, Commercialize or otherwise Exploit the Licensed Antibody or any Licensed Product in the Licensed Field in the Retained Territory (such transaction, a "**Retained Territory Transaction**"), then Licensor shall notify Licensee of such intention in writing prior to engaging in or commencing discussions or negotiations with any Third Party regarding such Retained Territory Transaction (each, a "**ROFN**"). Licensor hereby grants to Licensee a ROFN with respect to any Retained Territory Transaction. [***].

2.5 No Implied Licenses. Except as set forth in this Agreement, neither Party shall acquire any license or other intellectual property interest, by implication or otherwise, under or to any Patents, Know-How, or other intellectual property owned or controlled by the other Party.

2.6 Exclusivity.

(a) Subject to Section 2.6(b) below, during the Exclusivity Period, neither Party nor any of its Affiliates shall, [***].

(b) Notwithstanding the foregoing, if either Party acquires the business or asset of a Third Party after the Effective Date through merger, acquisition, consolidation or other similar transaction (other than Change of Control of such Party), and as of the closing date of such transaction, the new Affiliate of such Party that survives such transaction is engaged in the conduct of a Competing Program or such acquired assets comprise a Competing Program, then such new Affiliate or Party shall have [***] from the closing date of such transaction to terminate or divest such Competing Program, and such new Affiliate's or Party's conduct of such Competing Program during such [***] period shall not constitute a breach of such Party's exclusivity obligations set forth in Section 2.6(a) if during such [***], such new Affiliate and Party maintains and enforces internal processes, policies, procedures, and systems to segregate such Competing Program from the Development, manufacture, Commercialization or other Exploitation of Licensed Antibody or Licensed Products under this Agreement, including ensuring that (i) such new Affiliate does not obtain any rights or access to any Confidential Information related to the Licensed Antibody or Licensed Products, (ii) such new Affiliate does not use or practice, directly or indirectly, any Patents, Know-How, or Confidential Information of such Party or its pre-existing Affiliates (including any Patents, Know-How, or Confidential Information licensed or acquired from the other Party under this Agreement) in such Competing Program, and (iii) no personnel of such Party or its pre-existing Affiliates at any time prior to or after such transaction will conduct any activities under such Competing Program (other than with respect to its termination or divestiture).

2.7 Third Party Licenses.

(a) **Notice.** A Party shall promptly notify the other Party if it becomes aware of any Third Party Know-How or Patents that are necessary or reasonably useful to Develop, make, have made, use, sell, offer for sale, import, Commercialize or otherwise Exploit any Licensed Antibody or Licensed Product in or outside of the Territory (the "**Third Party IP**"). As between the Parties, (i) Licensee shall have the first right to negotiate and obtain a license from such Third Party under such Third Party IP to the extent such Third Party IP relates to the Territory (including global rights that includes both the Territory and the Retained Territory), and (ii) Licensor shall have the first right to negotiate and obtain a license from such Third Party under such Third Party IP to the extent such Third Party IP relates solely to the Retained Territory.

(b) **Licensor Restriction.** Except with the prior written consent of Licensee, Licensor shall not obtain a license under Third Party IP that is necessary to Develop, make, have made, use, sell, offer for sale, import, or otherwise Commercialize any Licensed Antibody or Licensed Products in the Territory, provided that if the Licensee does not or fails to negotiate and obtain a license under the Third Party IP necessary for performance of this Agreement by the Licensee within a reasonable period of time, then upon written notice to Licensee, Licensor shall be entitled to obtain a license under such Third Party IP solely with respect to the Retained Territory.

2.8 Option Right.

(a) Licensor hereby grants to Licensee the option to require Licensor to [***] to [***] and to obtain a [***] from [***] as set forth in the remainder of this Section 2.8(a). If (i) [***], or (ii) [***] [***] (each, ((i) and (ii)) a “**Going Concern Event**”), for so long as such Going Concern Event exists, then, effective upon Licensor’s receipt of a written notice from Licensee exercising its option, (x) [***] to [***] and [***], (y) [***], and (iii) [***]. Upon the occurrence of any Going Concern Event, Licensor shall provide immediate written notice to Licensee (and in any event no later than [***] after the occurrence of such Going Concern Event).

(b) Licensor hereby grants to Licensee the option to [***] as set forth in the remainder of this Section 2.8(b). In the event of (a) [***] and (b) [***], upon [***], Licensor shall, [***]. In the event of [***].

(c) [***].

2.9 No Assignment of Licensed IP. During the Term of this Agreement, without prior written consent of the Licensee, Licensor shall not assign to any Affiliate or Third Party any Licensed IP owned by the Licensor.

3. GOVERNANCE

3.1 Joint Steering Committee. Within [***] after the Effective Date, the Parties shall establish a Joint Steering Committee (the “**Joint Steering Committee**” or the “**JSC**”), composed of [***] from each Party, to oversee the Development of the Licensed Antibody and Licensed Products by or on behalf of the Parties under this Agreement. The JSC in particular shall:

(a) provide a forum for the discussion of the Parties’ activities under this Agreement;

(b) facilitate the initial transfer and disclosure of Licensed Know-How, Licensed Antibody, and materials to Licensee pursuant to Section 4.2(a);

- (c) facilitate the transfer and disclosure of additional Licensed Know-How and Licensee Know-How pursuant to Section 4.2(b);
- (d) review and discuss the initial Global Development Plan, and amendments to the Global Development Plan;
- (e) discuss objectives and review progress provided by the Parties regarding Development of the Licensed Antibody and Licensed Products in the Territory and the Retained Territory;
- (f) recommend the inclusion of any Clinical Trial conducted in the Applicable Territory under the Global Development Plan and recommend the protocol therefor;
- (g) discuss material preclinical Development activities and Clinical Trials to be conducted by a Party in the Applicable Territory;
- (h) discuss and approve any Global Clinical Trial Plan and amendments to the foregoing;
- (i) coordinate regulatory strategy, and discuss regulatory actions and pharmacovigilance and safety matters for the Licensed Products in the Territory and the Retained Territory; and
- (j) perform such other functions as appropriate to further the Development of the Licensed Antibody and Licensed Products, as set forth herein or as the Parties may agree upon in writing.

3.2 JSC Membership and Meetings.

(a) **JSC Members.** Each JSC representative shall be an officer or employee of the applicable Party having sufficient seniority within such Party to make decisions arising within the scope of the JSC's responsibilities. Each Party may replace its representatives on the JSC on written notice to the other Party. Licensee shall appoint the chairperson of the JSC. The chairperson shall prepare and circulate agendas to JSC members at least [***] before each JSC meeting and shall direct the preparation of reasonably detailed minutes for each JSC meeting, which shall be circulated to JSC members within [***] after such meeting.

(b) **Meetings.** The JSC shall hold meetings at such times as it elects to do so, but in no event less frequently than [***] per Calendar Year until the discontinuation of the JSC pursuant to Section 3.4. Meetings may be by telephone or video conference or in person. In-person meetings shall be held at locations alternately selected by the Parties. Each Party shall be responsible for its own expenses of participating in any JSC meeting. No action taken at any JSC meeting shall be effective unless at least one representative of each Party is participating in such JSC meeting.

(c) **Non-Member Attendance.** Each Party may from time to time invite a reasonable number of participants, in addition to its representatives, to attend the JSC meetings; provided that if either Party intends to have any Third Party (including any consultant) attend such a meeting, such Party shall provide reasonable prior written notice to the other Party and obtain the other Party's approval for such Third Party to attend such meeting, which approval shall not be unreasonably withheld or delayed. Such Party shall ensure that such Third Party is bound by written confidentiality and non-use obligations consistent with the terms of this Agreement.

3.3 Decision-Making; Limitations on Authority. Except for the Global Clinical Trial Plan (including any amendments thereof) and matters relating to the Global Clinical Trial, for which the JSC has decision-making authority, for all other matters, the JSC shall be an advisory committee and a forum for discussion and information exchange between the Parties only, and shall not be a decision-making body. All decisions of the JSC shall be made by unanimous vote, with each Party's representatives

collectively having one vote. If after reasonable discussion and good faith consideration of each Party's view on a particular matter before the JSC, the JSC cannot reach a decision as to such matter within [***] after such matter was brought to the JSC for resolution, such matter shall be referred to the Executive Officers for resolution. The Executive Officers shall promptly meet and use good faith efforts to resolve such matter. If the Executive Officers cannot resolve such matter within [***] after such matter has been referred to them, then [***] shall have the final decision-making authority. [***]. For clarity, with respect to [***]:

(a) Licensor shall have the sole decision-making authority with respect to all matters related to [***];

(b) Licensee shall have the sole decision-making authority with respect to all matters related to [***].

Notwithstanding the foregoing, neither Party nor the JSC shall use its decision-making authority (i) to impose any requirement on the other Party to undertake obligations beyond those for which it is responsible or to forgo any of its rights under this Agreement, (ii) in a manner inconsistent with the terms and conditions of this Agreement or (iii) to require the other Party to violate any Applicable Law, ethical requirement or any agreement it may have with any Third Party. For clarity, the JSC will not have the power to amend this Agreement or waive any provision of this Agreement, and no JSC action may be in contravention of any terms and conditions of this Agreement.

3.4 Discontinuation of the JSC. The activities of the JSC shall solely relate to governance under this Agreement and are not intended to be or involve the delivery of services. The JSC shall continue to exist until the first to occur of: (a) [***] or (b) [***]. Upon the first to occur of the foregoing subclause (a) or subclause (b), the JSC shall automatically dissolve and, thereafter, each Party shall designate, to the extent necessary, a contact person for the exchange of information under this Agreement.

4. DEVELOPMENT; TECHNOLOGY TRANSFER; REGULATORY

4.1 General. Subject to the terms and conditions of this Agreement, including Section 4.4, Licensee shall have the sole and exclusive right and responsibility, at its own expense and discretion, for the Development of the Licensed Antibody and Licensed Products in the Territory, including preclinical development, regulatory dossier development, Clinical Trial development and execution, and submission of Regulatory Filings, and manufacturing in support thereof.

4.2 Technology Transfer.

(a) **Initial Technology Transfer.** Within [***] following the Effective Date, (i) Licensor shall transfer to Licensee, [***]: complete and accurate copies, in electronic form where possible, of all Licensed Know-How in existence as of the Effective Date, including all relevant Regulatory Filings relating to the Licensed Antibody or any Licensed Products, the underlying source documents (including preclinical and clinical data (including the Clinical Study Reports for all Clinical Trials conducted by or on behalf of Licensor and the master clinical dataset and clinical

databases), regulatory data and communications, CMC data) and other information or documentation necessary for the preparation of Regulatory Filings for the Licensed Antibody and Licensed Products in the Territory, and (ii) such quantities of the drug substance and drug product of Licensed Antibody, and other biological and chemical materials described in Schedule 4.2(a) shall be available for delivery at Licensor's designated facility, in each case ((i) and (ii)), as described in Schedule 4.2(a). Licensor shall provide in the English language all documents set forth in Schedule 4.2(a). Licensor shall reasonably cooperate with Licensee to provide a smooth and prompt transfer of all such Licensed Know-How, Licensed Antibody and other materials. Licensee shall be responsible for the transfer of the material from Licensor's designated facility to the Licensee's designated facility [***], provided that, in the event it is agreed between the Parties that Licensor will assist with such transfer, [***]. In connection with such transfer, Licensor shall reasonably assist Licensee and its designee(s) in the use and understanding of such Licensed Know-How and shall provide reasonable technical assistance and make its technical personnel reasonably available to Licensee. [***] of providing such translation and technical assistance. In addition, promptly following the Effective Date, Licensor shall reasonably assist Licensee in entering into agreements with any Third Party Provider existing as of the Effective Date, including any three-way agreement, in each case as necessary to effect the transfer of Licensed Know-How, Licensed Antibody and other materials under this Section 4.2(a).

(b) Ongoing Technology Transfer. Following the initial technology transfer during the Term, if Licensor develops or otherwise gains Control of any Licensed Know-How, Licensor will periodically (no less than [***] each Calendar Quarter) provide a summary of such Licensed Know-How to Licensee (through the JSC or otherwise) and, at Licensee's request, Licensor will transfer or otherwise make available to Licensee all such Licensed Know-How reasonably requested by Licensee [***]. During the Term, and subject to the terms and conditions of this Agreement, Licensee will periodically provide a summary of Licensee Know-How developed by Licensee to Licensor (through the JSC or otherwise) included within the license granted by Licensee to Licensor hereunder and, at Licensor's request, Licensee will transfer or otherwise make available to Licensor all such Licensee Know-How reasonably requested by Licensor [***]. Each Party shall also provide the other Party with reasonable technical and regulatory assistance to help such other Party understand and use such additional Licensed Know-How or Licensee Know-How, as applicable, in connection with the Development, manufacture, Commercialization and other Exploitation of the Licensed Antibody and Licensed Products in such other Party's Applicable Territory, including reasonable access to such's personnel involved in the Development of the Licensed Antibody and Licensed Products. [***] to provide such additional technical assistance.

4.3 Development of Licensed Antibody and Licensed Products.

(a) General. As between the Parties, Licensee (either itself or through its Affiliates and Sublicensees) shall have the sole right and responsibility for the Development of the Licensed Antibody and Licensed Products in the Licensed Field in the Territory, including the conduct of all pre-clinical studies and all Clinical Trials of the Licensed Antibody and Licensed Products in the Territory, [***]. Licensee shall, [***], have the sole control, discretion and decision-making authority over the Development of the Licensed Antibody and Licensed Products in the Licensed Field in the Territory. Licensor (either itself or through its Affiliates) shall have the sole responsibility for the Development of the Licensed Antibody and Licensed Products in the Licensed Field in the Retained Territory, including the conduct of all pre-clinical studies and all Clinical Trials of the Licensed Antibody and Licensed Products in the Retained Territory, [***].

(b) Global Development Plan. All Development activities of the Licensed Antibody and Licensed Products under this Agreement (whether by or on behalf of Licensee in the Territory and by or on behalf of Licensor in the Retained Territory) shall be conducted pursuant to a high-level written Development plan that sets forth the anticipated timeline and summary of all clinical and regulatory activities that a Party expects to conduct in its Applicable Territory (the “**Global Development Plan**”). Within [***] following the Effective Date, Licensee shall prepare an initial Global Development Plan and shall promptly provide a copy of such initial Global Development Plan to the JSC for review and discussion. From time to time, either Party may propose updates or amendments to the Global Development Plan in consultation with the other Party and shall promptly submit such proposed updated or amended plan to the JSC for review and approval. If the terms of the Global Development Plan contradict or create inconsistencies or ambiguities with the terms of this Agreement, then the terms of this Agreement shall govern.

(c) Development by a Party. Licensor shall conduct all Development activities for the Licensed Antibody and Licensed Products solely in accordance with the Global Development Plan, provided that Licensor shall not be obligated to conduct any Development (including Clinical Trial) in the Retained Territory even if such Development is included in the Global Development Plan. Licensor shall not conduct any Development of any Licensed Product in a manner that would have, or would be reasonably expected to have, any adverse effect on the Development or Commercialization of such Licensed Product in the Territory.

(d) Global Clinical Trials.

(i) If Licensee desires to sponsor (or if the Parties mutually agree to conduct) any Clinical Trial for any Licensed Product in the Licensed Field that includes enrollment and clinical sites in the Territory as well as the Retained Territory in connection with the Global Development Plan, Licensee shall provide reasonable advance notice thereof and Licensor shall have the right to elect to participate in such Clinical Trial in the Retained Territory by providing written notice of such election to Licensee within [***] of receipt of such notice from Licensee (such Clinical Trial or component thereof, a “**Global Clinical Trial**”). If Licensor elects not to participate in such proposed Global Clinical Trial, or does not notify Licensee of its election to participate in a proposed Global Clinical Trial within such [***] period, then Licensee shall have the right to conduct such proposed Global Clinical Trial in the Licensed Field in the Territory and the Retained Territory [***].

(ii) If Licensor elects to participate in such Global Clinical Trial, then the Parties shall, through the JSC, discuss, and approve a comprehensive written Development plan that sets forth the timeline, budget, allocation of responsibilities and other details of such Global Clinical Trial and other material activities related thereto to be conducted by or on behalf of the Parties (the “**Global Clinical Trial Plan**”). The Global Clinical Trial Plan shall be consistent with the Global Development Plan. From time to time, but at least once every [***], Licensee shall provide an update (including any proposed amendments) to the Global Clinical Trial Plan, which shall be consistent with the Global Development Plan. Licensee shall submit such proposed updated or amended Global Clinical Trial Plan to the JSC for discussion and approval. The updated or amended Global Clinical Trial Plan shall become effective upon approval by the JSC.

(iii) Licensee shall be the sponsor of each Global Clinical Trial and shall have the sole right and responsibility for development of the protocol, study design and standard operating procedures. Licensor shall be responsible for, [***] (A) interacting with Regulatory Authorities in the Retained Territory in connection with such Global Clinical Trial, including with respect to reporting of adverse events and other safety and quality matters in accordance with the Safety Data Exchange Agreement, (B) enrolling patients in such Global Clinical Trial in accordance with the Global Clinical Trial Plan and (C) managing the day-to-day operations of such Global Clinical Trial in the Retained Territory. The Parties will [***].

(iv) If Licensor elects not to participate in any Global Clinical Trial which is a Registrational Study, or if Licensor does not perform its obligations set forth in the Global Clinical Trial Plan for such Global Clinical Trial (including enrolling the required number of patients in the Retained Territory in accordance with the Global Clinical Trial Plan), then any data generated by or on behalf of

Licensee in the course of conducting such Global Clinical Trial (“*Licensee Global Registrational Trial Data*”) shall be excluded from Licensee IP and the license granted to Licensor under Section 2.2. If Licensor desires to use and reference such Licensee Global Registrational Trial Data for Regulatory Approval of any Licensed Antibody or Licensed Product in the Retained Territory, Licensor shall provide written notice to Licensee and pay a one-time fee equal to [***] of all internal and out-of-pocket costs incurred by Licensee in connection with, or reasonably allocable to, the conduct of such Global Clinical Trial in the Retained Territory that would have otherwise been allocated to Licensor (with such allocation being no more than [***] of the total costs of conducting such Global Clinical Trial unless the Parties otherwise agree) had Licensor participated in such Global Clinical Trial, provided that any Safety Data within such Licensee Global Trial Data shall be provided to Licensor upon written request in accordance with Section 4.7.

4.4 Diligence. Licensee, itself or through its Affiliates or Sublicensees, shall use Commercially Reasonable Efforts to Develop and obtain Regulatory Approval for at least one (1) Licensed Product in the Licensed Field in (a) the U.S. and (b) at least one of the Major Market Countries.

4.5 Development Updates.

(a) At each regularly scheduled JSC meeting, each Party shall provide the JSC with updates of its Development activities with respect to the Licensed Antibody and Licensed Products in such Party’s Applicable Territory, and the results of such activities. The Parties shall discuss the status, progress, and results of such activities at such JSC meetings.

(b) Within [***] after the end of each Calendar Year and subject to Section 4.5(a), each Party shall provide the other Party with a written report summarizing the status of its Development activities in respect of the Licensed Antibody and Licensed Products in such Party’s Applicable Territory in the previous Calendar Year.

4.6 Regulatory Responsibilities.

(a) **General.** Subject to the terms and conditions of this Agreement, including Section 4.4, Licensee shall have the sole and exclusive right and responsibility, at its own expense and discretion, to seek to obtain and maintain Regulatory Approvals for the Licensed Products in the Licensed Field in the Territory and to conduct all related regulatory affairs, including communications with any Regulatory Authorities relating to the Licensed Antibody and Licensed Products in the Territory. Licensee shall have the right to prepare, obtain, and maintain MAAs (including the setting of the overall regulatory strategy therefor), Regulatory Approvals, and other Regulatory Filings in its own name or in the name of any of its Affiliates.

(b) Upon either Party’s reasonable request, the requested Party shall, [***], provide reasonable assistance (including providing the requesting Party with copies of Regulatory Filings submitted by the requested Party and all relevant information) as necessary for the requesting Party in connection with the preparation and filing of any such Regulatory Filings for a Licensed Antibody or Licensed Product and to obtain and maintain Regulatory Approvals with respect to Licensed Products in the Applicable Territory, including providing the requesting Party with any and all documentation in the requested Party’s possession and Control not previously provided to the requesting Party. The requesting Party shall use such Regulatory Filings and all such information solely as necessary for preparing and filing Regulatory Filings and obtaining Regulatory Approval for the Licensed Products in the Applicable Territory.

(c) **Right of Reference.** Licensor hereby grants to Licensee a Right of Reference to all Regulatory Filings for the Licensed Products submitted by or on behalf of Licensor in the Retained Territory for the purposes of seeking, obtaining, and maintaining Regulatory Approval of the Licensed Products in the Territory. Licensee hereby grants to Licensor a Right of Reference to all Regulatory Filings for the Licensed Products submitted by or on behalf of Licensee in the Territory for the purposes of

seeking, obtaining, and maintaining Regulatory Approval of the Licensed Products in the Retained Territory. For the purposes of this Agreement, “**Right of Reference**” means the “right of reference or use” as defined in 21 C.F.R. § 314.3(b) and any equivalent regulation outside the US, as each may be amended from time to time.

4.7 Adverse Event Reporting; Safety Data Exchange Agreement. As soon as reasonably practicable after the Effective Date, the Parties shall enter into a safety data exchange agreement setting forth the pharmacovigilance and safety data exchange procedures for the Parties with respect to the Licensed Products, such as Safety Data sharing, adverse events reporting, medical device malfunction reporting, and safety signal and risk management (the “**Safety Data Exchange Agreement**”), which agreement shall be amended by the Parties from time to time as necessary to comply with any changes in Applicable Laws or any guidance received from Regulatory Authorities. Such procedures shall be in accordance with, and enable the Parties to fulfill, local and national regulatory reporting obligations under Applicable Laws to monitor patients’ safety. Licensee shall establish (either by itself or through a Third Party subcontractor engaged by Licensee) a global safety database for each of the Licensed Products and shall maintain such global safety databases for so long as the Licensed Products are under Development or Commercialization by Licensee or any of its Affiliates or Sublicensees. [***] associated with maintaining such databases and preparing reports for the Territory. Licensor shall maintain, and [***] associated with maintaining, its own safety database for the Licensed Products in the Retained Territory and shall provide all Safety Data, including adverse event reports, in such database to Licensee in accordance with the Safety Data Exchange Agreement. Licensee shall ensure that each Party is able to access the data from the global safety database in order to meet legal and regulatory obligations. Each Party shall be primarily responsible for reporting quality complaints, adverse events, and Safety Data related to the Licensed Products to any necessary Regulatory Authorities in its Applicable Territory, and responding to safety issues and to all requests of Regulatory Authorities related to the Licensed Products, [***]. Each Party agrees to comply with its respective obligations under the Safety Data Exchange Agreement and to cause its Affiliates, licensees, and sublicensees to comply with such obligations. Subject to compliance with Applicable Laws, each Party shall have the right to use the Safety Data resulting from Development activities performed by the other Party, without compensation to such other Party, in each case as reasonably necessary for the first Party to comply with its safety reporting obligations in its Applicable Territory.

4.8 Notification of Threatened Action. Each Party shall notify the other Party within [***] of any information it receives regarding any threatened or pending action, inspection, or communication by any Regulatory Authority which may adversely affect the safety or efficacy claims of any Licensed Product or the continued Development or Commercialization of any Licensed Product. Upon receipt of such information, the Parties shall promptly consult with each other in an effort to arrive at a mutually acceptable procedure for taking appropriate action.

4.9 Recalls. In the event that a recall, withdrawal, or correction (including the dissemination of relevant information) of any Licensed Product in a Party’s Applicable Territory is required by a Regulatory Authority of competent jurisdiction, or if any Regulatory Authority requires or advises either Party or such Party’s Affiliates or sublicensees to distribute a “Dear Doctor” letter or its equivalent regarding use of such Licensed Product in a Party’s Applicable Territory, or if a recall, withdraw, or correction of a Licensed Product in its Applicable Territory is deemed advisable by such Party in its sole discretion, such Party shall so notify the other Party no later than [***] in advance (if practicable) of the earlier of (a) initiation of a recall, withdrawal, or correction, or (b) the submission of plans for such an action to a Regulatory Authority. Any such recall, withdrawal, correction, or dissemination of information (e.g., “Dear Doctor” letter) shall be referred to herein as a “**Recall**”. Promptly after being notified of a Recall, each Party shall provide the other Party with such assistance in connection with such Recall as may be reasonably requested by such other Party. All costs and expenses in connection with a Recall in a Party’s Applicable Territory shall be paid by [***], including the costs and expenses related to the dissemination of relevant information. Each Party shall handle exclusively the organization and implementation of all Recalls of Licensed Products in its Applicable Territory.

4.10 Manufacture and Supply.

(a) Licensee may, at its own discretion, manufacture or have manufactured, any Licensed Antibody or Licensed Product for its, its Affiliates, and its and their Sublicensees' requirements in the Licensed Field in the Territory.

(b) At Licensee's request, Licensors shall, itself or through its Third Party manufacturer, (i) provide access to and transfer to Licensee, or an Affiliate or a Third Party manufacturer selected by Licensee, all Licensed Know-How that is necessary or reasonably useful for Licensee, or such Affiliate or Third Party manufacturer to manufacture the Licensed Antibody ("**Manufacturing Transfer**"), and (ii) provide to Licensee all necessary assistance and services to enable Licensee, or such Affiliate or Third Party manufacturer in connection with such transfer. [***] in connection with such technology transfer. Licensors are not obligated to perform the Manufacturing Transfer more than [***].

(c) Upon Licensee's request, Licensors shall reasonably assist Licensee in negotiating a supply agreement with Licensors' Third Party manufacturer for the supply of Licensed Antibody and Licensed Products to Licensee in connection with Licensee's exercise of its license granted in Section 2.1. Upon Licensors' request, Licensee shall reasonably introduce Licensors to Licensee's Third Party manufacturer and facilitate Licensors' efforts in negotiating a supply agreement with such Third Party manufacturer for the supply of Licensed Antibody and Licensed Products to Licensors in connection with Licensors' reserved rights in Section 2.4.

(d) For the avoidance of doubt, the Licensee acknowledges that [***]. Licensee may elect, at its discretion, to [***] by either [***] or receiving [***], in each case [***].

5. COMMERCIALIZATION

5.1 General. Subject to the terms and conditions of this Agreement, including Section 5.2, Licensee shall have the sole and exclusive right and responsibility, at its own expense and discretion, for the Commercialization of the Licensed Antibody and Licensed Products in the Territory.

5.2 Diligence. Licensee, itself or through its Affiliates or Sublicensees, shall use Commercially Reasonable Efforts to Commercialize at least one (1) Licensed Product in the U.S. or any Major Market Country in which Regulatory Approval has been obtained for such Licensed Product. For clarity, as between the Parties, Licensee shall at all times retain [***].

5.3 Diversion. Each Party covenants and agrees that it will not, and will use diligent efforts to ensure that its Affiliates, Sublicensees and subcontractors will not, either directly or indirectly, promote, market, distribute, import, sell or have sold any Licensed Products, including via the Internet or mail order, to any Third Party or to any address or Internet Protocol address or the like in the other Party's Applicable Territory, or to any Third Party that such Party knows (or reasonably should know after due inquiry) has previously exported or is likely to export the Licensed Products to the other Party's Applicable Territory. Neither Party will engage, nor contractually permit its Affiliates, Sublicensees or subcontractors to engage, in any advertising or promotional activities relating to any Licensed Products for use directed primarily to customers or other buyers or users of Licensed Products located in any country, jurisdiction or region in the other Party's Applicable Territory, or solicit orders from any prospective purchaser located in

any country, jurisdiction or region in the other Party's Applicable Territory. If a Party, its Affiliates, Sublicensees or subcontractors receive any order for Licensed Products for use from a prospective purchaser located in a country, jurisdiction or region in the other Party's Applicable Territory, then such Party will promptly, but in any event within [***], refer that order to such other Party and will not accept any such orders. The Parties shall not, nor shall they contractually permit their Affiliates, Sublicensees, or subcontractors to, deliver or tender (or cause to be delivered or tendered) any Licensed Products for use in the other Party's Applicable Territory.

6. FINANCIAL PROVISIONS

6.1 Upfront Payment. Licensee shall pay to Licensor a one-time, non-refundable, non-creditable upfront payment of [***] in two installments:

(a) [***] within [***] after the Effective Date; and

(b) [***] within [***] after the earlier of (i) the receipt by or on behalf of the Licensee of the documents set forth in Schedule 6.1(b) and a written confirmation from the Licensor that such quantities of the drug product of Licensed Antibody described in Schedule 4.2(a) are already available for delivery at Licensor's designated facility, and (ii) the Initiation of the first Clinical Trial of any Licensed Product in the Territory.

6.2 Development and Regulatory Milestones Payments.

(a) **Development Milestones.** Subject to the remainder of this Section 6.2, Licensee shall pay to Licensor the one-time, non-refundable, non-creditable milestone payments set forth in the table below upon the first achievement of the applicable milestone event by a Licensed Product (whether by or on behalf of Licensee or its Affiliates or Sublicensees):

<u>Development Milestone Event</u>	<u>Milestone Payment</u>
[***]	[***]
[***]	[***]
[***]	[***]
TOTAL	[***]

(b) **Regulatory Milestones.** Subject to the remainder of this Section 6.2, Licensee shall pay to Licensor the one-time, non-refundable, non-creditable milestone payments set forth in the table below upon the first achievement of the applicable milestone event by a Licensed Product (whether by or on behalf of Licensee or its Affiliates or Sublicensees):

<u>Regulatory Milestone Event</u>	<u>Milestone Payment</u>
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]

***	***
***	***
***	***
***	***
***	***
***	***
***	***
***	***
TOTAL	***

For clarity, each milestone payment set forth in each table above set forth in Section 6.2(a) and Section 6.2(b) shall be paid only once upon first achievement of the corresponding milestone event by a Licensed Product to achieve such event, even if such milestone event is achieved multiple times by a single Licensed Product or is achieved by multiple Licensed Products. With respect to the Development milestones set forth in Section 6.2(a), if any milestone is achieved before the IND Submission Milestone is achieved or any earlier-phase Development milestone is achieved, then all milestone payments for such unachieved preceding milestone events will be due and payable with the milestone payment for the milestone event that was achieved. With respect to the regulatory milestones set forth in Section 6.2(b), if any Regulatory Approval milestone in a particular jurisdiction is achieved before the milestone for the submission of an MAA in such jurisdiction is achieved, then the milestone payment for such unachieved MAA submission milestone shall be due and payable with the milestone payment for the Regulatory Approval milestone in such jurisdiction. In no event shall Licensee be obligated to pay more than an aggregate amount of [***] under Section 6.2(a) and Section 6.2(b). [***].

(c) Notice and Payment. Licensee shall notify Licensor in writing within [***] after the achievement of any milestone set forth in this Section 6.2 by Licensee or any of its Affiliates, or [***] after the achievement of any milestone set forth in this Section 6.2 by any Sublicensee(s). Licensee shall pay to Licensor the applicable Development or regulatory milestone payments within [***] after the delivery of such notice.

6.3 Sales-Based Milestones Payments.

(a) Sales Milestones. Subject to the remainder of this Section 6.3, Licensee shall pay to Licensor the one-time, non-refundable, non-creditable milestone payments set forth in the table below within [***] after the end of the Calendar Quarter in which the corresponding milestone event is first achieved (concurrently with the royalty payments under Section 7.1), whether by or on behalf of Licensee or its Affiliates or Sublicensees.

Aggregate Annual Net Sales of all Licensed Products in the Licensed Field in the Territory	Sales Milestone Payments
***	***
***	***
***	***
***	***
***	***
TOTAL	***

(b) **Notice and Payment.** As part of the report in [Section 7.1](#), Licensee shall provide written notice to Licensor upon the aggregate annual Net Sales of all Licensed Products in the Licensed Field in the Territory reaching the values set forth in the table in [Section 6.3\(a\)](#) above. Each milestone payment set forth in the table above shall be paid only once, upon first achievement of the corresponding milestone event, regardless of the number of times such event is achieved. In no event shall Licensee be obligated to pay more than [***] under this [Section 6.3](#). If one or more milestones under [Section 6.3\(a\)](#) are achieved in the same Calendar Quarter, then all such corresponding payments corresponding to such milestones under [Section 6.3\(a\)](#) shall be paid simultaneously. For the avoidance of doubt, from and after the expiration of the Royalty Term for a Licensed Product in a country, Net Sales of such Licensed Product in such country shall be excluded for purposes of calculating the Net Sales thresholds set forth in [Section 6.3\(a\)](#).

6.4 Royalty Payments.

(a) **Royalty Rate.** Subject to the other terms of this [Section 6.4](#), during the Royalty Term for a Licensed Product, Licensee shall pay to Licensor a non-refundable, non-creditable royalties on a Calendar Quarter basis at the royalty rates below based on the aggregate annual Net Sales of all Licensed Products sold in the Territory as of such Calendar Quarter:

Aggregate Annual Net Sales of all Licensed Products in the Territory	Royalty Rate
***	***
***	***
***	***
***	***
***	***
***	***

(b) **Royalty Term.** Royalties shall be paid on a Licensed Product-by-Licensed Product and country-by-country basis from the First Commercial Sale of such Licensed Product in such country by or on behalf of Licensee, its Affiliates, or Sublicensees, until the last to occur of (i) the expiration of the last-to-expire Valid Claim of the Licensed Patents in such country that Cover such Licensed Product in such country, (ii) the expiration of the last-to-expire Regulatory Exclusivity granted for such Licensed Product in such country, and (iii) ten (10) years after the First Commercial Sale of such Licensed Product in such country (the “*Royalty Term*”).

(c) Royalty Reductions.

(i) [***].

(ii) [***].

(iii) [***].

(iv) [***].

(d) [***].

6.5 Sublicense Income. During the Term, Licensee shall pay Licensor a percentage of Sublicense Income within [***] after receipt of such Sublicense Income by Licensee or any of its Affiliates or its or their shareholders, based on the development stage at the time that the applicable Sublicense agreement is executed, as follows:

(a) [***] if the Sublicense is executed prior to the [***];

(b) [***] if the Sublicense is executed following the [***], but prior to the [***]; and

(c) [***] if the Sublicense is executed following the [***] and [***].

For clarity, no Sublicense Income shall be due to Licensor if the Sublicense is executed after the [***].

7. PAYMENT; RECORDS; AUDITS

7.1 Payment; Reports. Royalty payments due from Licensee to Licensor under Section 6.4 shall be calculated and reported for each Calendar Quarter during the Royalty Term. Royalty payments due under Section 6.4 shall be paid within [***] after the end of each Calendar Quarter and shall be accompanied by a report setting forth the Net Sales of the Licensed Products by Licensee and its Affiliates and Sublicensees in the Territory (which should include, on a Licensed Product-by-Licensed Product and country-by-country basis: [***]).

7.2 Exchange Rate; Manner and Place of Payment. All references to dollars and "\$" herein shall refer to U.S. dollars. All payments hereunder shall be payable in U.S. dollars. Currencies other than the U.S. Dollars shall be converted into U.S. Dollars at the average of the daily foreign exchange rates published in the *Wall Street Journal* (New York Edition), or any other qualified source that is mutually acceptable, for the Calendar Quarter in which such payments accrue, or, for periods less than a Calendar Quarter, the average of the daily rates published in the *Wall Street Journal* (New York Edition) for such period. All payments owed to Licensor under this Agreement shall be made by wire transfer in immediately available funds to a bank and account designated in writing by Licensor, unless otherwise specified in writing by Licensor. If the conversion of a local currency in the Territory into dollars or transfer of funds out of a country or jurisdiction in the Territory becomes materially restricted, forbidden, or substantially delayed due to Applicable Laws, then Licensee shall promptly notify Licensor and amounts accrued in such country or jurisdiction may be paid by Licensee in local currency into an account in a local bank designated by Licensor, unless the Parties otherwise agree.

7.3 Taxes.

(a) Taxes on Income. Except as otherwise provided in this Section 7.3, each Party shall be solely responsible for the payment of all taxes imposed on its share of income arising directly or indirectly from the activities of the Parties under this Agreement.

(b) Tax Cooperation. The Parties agree to cooperate with one another and use reasonable efforts to avoid or reduce tax withholding, transfer taxes, or similar obligations with respect to milestone payments, royalty payments, and other payments made under this Agreement. If Licensee is required by Applicable Laws to deduct and withhold taxes on any payment to Licensor, Licensee shall pay the amounts of such taxes to the proper Governmental Authority in a timely manner and promptly transmit to Licensor an official tax certificate or other evidence of such payment sufficient to enable Licensor to claim such payment of taxes. Licensor shall provide Licensee any tax forms that may be reasonably necessary in order for Licensee to not withhold tax or to withhold tax at a reduced rate under any applicable tax laws or bilateral income tax treaty, to the extent Licensor is legally able to do so. Licensor shall use reasonable efforts to provide any such tax forms to Licensee in advance of the due date provided that Licensor may direct Licensee to temporarily hold a payment otherwise payable in order to avoid withholding taxes if Licensor is waiting for a required tax form to be issued by a Governmental Authority. Licensee shall provide Licensor with reasonable assistance to enable the recovery, as permitted by Applicable Laws, of withholding taxes, transfer taxes, or similar obligations resulting from payments made under this Agreement, such recovery to be for the benefit of Licensor. Each Party agrees to assist the other Party in claiming exemption from such deductions or withholdings under double taxation or similar agreement or treaty from time to time in force and in minimizing the amount required to be so withheld or deducted.

(c) Other Tax Liability. In the event of value added or similar taxes incurred by a Party with respect to payments made to a Party under this Agreement or the activities underlying such payments (the “**VAT**”), Licensee shall not be required to increase payment to the Licensor with respect to any VAT paid to tax authorities. Each Party and its Affiliates will use reasonable efforts to secure available exemption(s) from VAT or cooperate with the other Party’s efforts to obtain maximum recovery of VAT paid or incurred by such Party or any Affiliate, to the extent permitted by Applicable Law.

7.4 Records; Audit. Licensee shall keep, and shall require its Affiliates and Sublicensees to keep, complete and accurate records pertaining to the sale or other disposition of Licensed Products in sufficient detail to permit Licensor to confirm the accuracy of any sales milestone or royalty payment due hereunder. Licensee will keep such books and records for [***] following the Calendar Year to which they pertain, or such longer period of time as may be required by Applicable Laws. Upon reasonable prior notice and during regular business hours at such place or places where such records are customarily kept, Licensee’s records may be inspected on Licensor’s behalf by an independent certified public accountant (the “**Auditor**”) selected by Licensor and reasonably acceptable to Licensee for the sole purpose of verifying for Licensor the accuracy of the financial reports furnished by Licensee pursuant to Section 7.1 or of any payments made, or required to be made, to Licensor pursuant to Article 6. Before beginning its audit, the Auditor shall execute an undertaking acceptable to each Party by which the Auditor agrees to keep confidential all information reviewed during the audit. Such audits shall be limited to once each Calendar Year and once with respect to records covering any specific period of time. Auditor shall not disclose Licensee’s Confidential Information to Licensor, and shall only report whether the financial reports provided by Licensee and the amount of payments made to Licensor are correct or not, and the specific details concerning any discrepancies. If the final result of the inspection reveals an undisputed underpayment or overpayment, the underpaid or overpaid amount shall be settled within [***] after the Auditor’s report, and any undisputed underpayment by Licensee should plus interest (as set forth in Section 7.5) from the original due date. [***] unless such audit reveals an underpayment by [***] of more than the higher of (a) [***] of the total amount for the audited period and (b) [***], in which case [***].

7.5 Late Payments. If any payment due under this Agreement is not paid when due in accordance with the applicable provisions of this Agreement, the payment shall accrue interest from the date due at the annual interest rate of [***]; provided, however, that in no event shall such rate exceed the maximum annual interest rate under Applicable Laws.

7.6 Mode of Payment. All payments under this Agreement to Licensor shall be made by deposit in the requisite amount to the bank account of Licensor as Licensor may from time to time designate by written notice to Licensee before such amount is due:

8. INTELLECTUAL PROPERTY

8.1 Ownership of Inventions.

(a) Inventorship of all Inventions shall be determined in accordance with U.S. patent laws. Subject to the license grants and other rights herein, as between the Parties, each Party shall own and retain all right, title and interest in and to any and all Inventions that are conceived, discovered, developed or otherwise made solely by or on behalf of such Party (or its Affiliates or its or their (sub)licensees), whether or not patented or patentable, and any and all Patents and other intellectual property rights with respect thereto.

(b) Subject to the license grants and other rights herein, as between the Parties, the Parties shall each own an equal, undivided interest in any and all: (i) Inventions that are conceived, discovered, developed or otherwise made under this Agreement jointly by or on behalf of Licensee or its Affiliates, on the one hand, and Licensor or its Affiliates, on the other hand, whether or not patented or patentable (the “*Joint Know-How*”); and (ii) Patents claiming the Joint Know-How (the “*Joint Patents*”) and other intellectual property rights with respect to the Inventions described in clause (i) (together with Joint Know-How and Joint Patents, the “*Joint IP*”). Each Party shall promptly disclose to the other Party in writing and shall cause its Affiliates to so disclose, the development, making, conception or reduction to practice of any Joint Know-How or Joint Patents. Subject to the license granted under Section 2.1 and Section 2.2, each Party is entitled to practice the Joint IP for all purposes on a worldwide basis and to license such Joint IP through multiple tiers without consent of the other Party (where consent is required by applicable Law, such consent is deemed hereby granted) and without a duty of accounting to the other Party.

8.2 Patent Prosecution and Maintenance.

(a) **Licensed Patents.** As between the Parties, Licensor shall have the first right, but not the obligation, to prosecute and maintain the Licensed Patents worldwide using counsel of its own choice, including the preparation, filing, prosecution, and maintenance (including any interferences, reissue proceedings, reexaminations, patent term extensions, applications for supplementary protection certificates, oppositions, invalidation proceedings and defense of validity or enforceability challenges), [***]. Licensor and its patent counsel shall keep Licensee reasonably informed of the status of filing, prosecution, maintenance, and defense, if any, of the Licensed Patents, and provide Licensee a reasonable opportunity to review and comment on proposed filings for Licensed Patents (including the initial application and any material correspondence related to such filing). Licensor shall incorporate all of Licensee’s comments to such filings in good faith. If Licensor desires to abandon or cease prosecution or maintenance of any Licensed Patent, Licensor shall provide reasonable prior written notice to Licensee of such intention (which notice shall, to the extent possible, be given no later than [***] prior to the next deadline for any action that must be taken with respect to the applicable Licensed Patent in the relevant patent office). In such case, upon Licensee’s written election provided no later than [***] after such notice from Licensor, Licensee shall have the right to assume prosecution and maintenance of the applicable Licensed Patent [***] and with counsel of Licensee’s choice. If Licensee elects to assume the prosecution and maintenance of such Licensed Patent, Licensor will promptly deliver to Licensee copies of all necessary files related to any Licensed Patents as requested by Licensee and will take all actions and execute all documents reasonably necessary for Licensee to assume such patent prosecution activities. Notwithstanding anything to the contrary in the foregoing, the rights and obligations of the Parties with respect to the prosecution and maintenance of the Joint Patents is as set forth in Section 8.2(b).

(b) **Joint Patents.** As between the Parties, Licensee shall have the first right, but not the obligation, to prosecute and maintain the Joint Patents in the Territory, and Licensor shall have the first right, but not the obligation, to prosecute and maintain the Joint Patents in the Retained Territory, each using counsel of its own choice, including the preparation, filing, prosecution, and maintenance (including any interferences, reissue proceedings, reexaminations, patent term extensions, applications for supplementary protection certificates, oppositions, invalidation proceedings and defense of validity or enforceability challenges). As between the Parties, such prosecution and maintenance of the Joint Patents shall be (i) [***] in the Territory and (ii) [***] in the Retained Territory. Each Party shall keep the other Party reasonably informed of the status of filing, prosecution, maintenance, and defense, if any, of the Joint Patents in the Applicable Territory, and provide the other Party a reasonable opportunity to review and comment on any material filings related thereto. If either Party desires to abandon or cease prosecution or maintenance of any Joint Patent, it shall provide reasonable prior written notice to the other Party of such intention (which notice shall, to the extent possible, be given no later than [***] prior to the next deadline for any action that must be taken with respect to the applicable Joint Patent in the relevant patent office). In such case, upon the other Party’s written election provided no later than [***] after such notice, the other Party shall have the right to assume prosecution and maintenance of the applicable Joint

Patent [***] and with counsel of its choice. If the other Party does not provide such election within [***] after such notice, then the first Party may, in its sole discretion, continue or discontinue prosecution and maintenance of such Joint Patent. Notwithstanding the foregoing, the other Party's right to assume Patent prosecution of a Joint Patent under this Section 8.2(b) shall not apply in the event such patent application was abandoned or otherwise forfeited by the first Party for Strategic Reasons. For purposes of this Section 8.2, a "**Strategic Reason**" for which the relevant prosecuting Party desires to abandon or otherwise forfeit patent prosecution of a given Patent shall be the abandonment or forfeiture of such Patent on the basis that continued prosecution would have an adverse effect on the overall patent portfolio for the Licensed Antibody and Licensed Products, including if applicable, the prosecution, validity or enforcement of another Licensed Patent or Joint Patent. For clarity, Strategic Reasons shall not include the abandonment or forfeiting of a Patent for purely financial reasons (e.g., costs of patent prosecution therefor or decreasing the Royalty Term).

(c) Licensee Patents. As between the Parties, Licensee shall have the sole right, but not the obligation, to prosecute and maintain Licensee Patents worldwide, using counsel of its own choice, including the preparation, filing, prosecution, and maintenance (including any interferences, reissue proceedings, reexaminations, patent term extensions, applications for supplementary protection certificates, oppositions, invalidation proceedings and defense of validity or enforceability challenges). As between the Parties, such prosecution and maintenance of the Licensee Patents shall be [***]. Licensee shall keep Licensor reasonably informed of the status of filing, prosecution, maintenance, and defense, if any, of the Licensee Patents in the Retained Territory, and provide Licensor a reasonable opportunity to review and comment on any material filings related thereto.

(d) Cooperation. Each Party shall provide the other Party all reasonable assistance and cooperation in the patent prosecution efforts under this Section 8.2, including providing any necessary powers of attorney and executing any other required documents or instruments for such prosecution.

8.3 Patent Enforcement.

(a) Notice. Each Party shall notify the other Party within [***] after becoming aware of any actual, suspected or threatened infringement by a Third Party of any of the Licensed Patents or Joint Patents in the Territory, which infringement adversely affects or is expected to adversely affect any Licensed Product in the Licensed Field ("**Product Infringement**").

(b) Enforcement Right.

(i) Licensee shall have the first right, but not the obligation, to bring and control any legal action in connection with a Product Infringement in the Territory [***] as it reasonably determines appropriate. Licensee or its Affiliates may settle or consent to the entry of any judgment in any enforcement action hereunder without Licensor's prior consent; provided that any such settlement or consent judgment will not, without the prior written consent of Licensor (such consent not to be unreasonably withheld, conditioned or delayed), (i) impose any liability or obligation on Licensor or any of its Affiliates or (ii) conflict with or reduce the scope of the subject matter claimed in any Licensed Patent or Joint Patent. If Licensee (A) elects not to bring such legal action against a Product Infringement in the Territory (the decision of which Licensee shall inform Licensor promptly) or (B) Licensee otherwise fails to bring such legal action against a Product Infringement in the Territory within [***] of first becoming aware of such Product Infringement, and does not provide a reasonable business (including strategic) rationale for not doing so, Licensor shall have the right to bring and control any legal action in connection with such Product Infringement [***] as it reasonably determines appropriate after consultation with Licensee. If Licensor desires to bring any legal action in connection with the enforcement of any Licensed Patent or Joint Patent in the Territory other than with respect to a Product Infringement, Licensor shall consult with Licensee and reasonably considers Licensee's comments in good faith prior to the initiation of, and during the course of, such action.

(ii) Licensor shall have the sole right, but not the obligation, to bring and control any legal action in connection with a Product Infringement in the Retained Territory [***] as it reasonably determines appropriate; provided that Licensor shall consult with Licensee with respect to the strategy and all material filings with respect to such action and consider Licensee's comments in good faith, provided with respect to any action that would be reasonably expected to adversely affect the overall patent portfolio for the Licensed Antibody and Licensed Products, Licensor shall reasonably implement all Licensee's comments.

(c) **Collaboration.** Each Party shall provide to the enforcing Party reasonable assistance in such enforcement, [***], including to be named in such action if required by Applicable Laws to pursue such action. The enforcing Party shall keep the other Party regularly informed of the status and progress of such enforcement efforts and shall reasonably consider the other Party's comments on any such efforts, including determination of litigation strategy and filing of material papers to the competent court. The non-enforcing Party shall be entitled to separate representation in such matter by counsel of its own choice and [***], but such Party shall at all times cooperate fully with the enforcing Party.

(d) **Expense and Recovery.** The enforcing Party shall be [***]. If such Party recovers monetary damages in such enforcement action in the Territory, such recovery shall be allocated first to the reimbursement of any expenses incurred by the enforcing Party in such enforcement action, second to the reimbursement of any expenses incurred by the other Party in such enforcement action, provided that if such recoveries are [***], then [***]. Following any expenses reimbursement, any remaining amounts shall be retained as follows: (i) [***], provided that [***], and (ii) [***], then such remaining amount will be allocated [***] to Licensor and [***] to Licensee.

(e) **Other Infringement.** Except for Product Infringement in the Territory or Retained Territory as set forth above, each Party shall have the exclusive right to enforce its own Patents against any infringement anywhere in the world.

8.4 Infringement of Third Party Rights. If any Licensed Product used or sold by Licensee, its Affiliates, or Sublicensees or the practice of the Licensed IP becomes the subject of a Third Party's claim or assertion of infringement of such Third Party's intellectual property rights in a jurisdiction within the Territory ("**Third Party Infringement Claim**"), the Party that became aware of such claim or assertion shall promptly notify the other Party and the Parties shall promptly meet to consider the claim or assertion and the appropriate course of action and may, if appropriate, agree on and enter into a common interest agreement, wherein the Parties agree to their shared, mutual interest in the outcome of such potential dispute. Absent any agreement to the contrary, and subject to claims for indemnification under Article 10, each Party shall defend itself from any such Third Party Infringement Claim [***], provided, however, that the provisions of Section 8.3 shall govern the right of Licensee to assert a counterclaim of infringement of any Licensed Patents. Without limitation to any other term or condition of Article 6, Licensee shall be entitled to offset up to [***] of the [***] from [***], to the extent such Third Party Infringement Claim [***], provided that [***] with respect to such subsequent Calendar Quarters up to a maximum amount of [***] of the amounts owed with respect to each such Calendar Quarters in such jurisdiction.

9. REPRESENTATIONS AND WARRANTIES**9.1 Mutual Representations and Warranties.** Each Party represents and warrants to the other that, as of the Effective Date:

(a) it is duly organized and validly existing under the laws of its jurisdiction of incorporation or formation, and has full corporate or other power and authority to enter into this Agreement and to carry out the provisions hereof;

(b) it is duly authorized to execute and deliver this Agreement and to perform its obligations hereunder, and the person or persons executing this Agreement on its behalf has been duly authorized to do so by all requisite corporate or partnership action; and

(c) this Agreement is legally binding upon it, enforceable in accordance with its terms, and does not conflict with any agreement, instrument, or understanding, oral or written, to which it is a party or by which it may be bound, nor violate any material law or regulation of any court, governmental body, or administrative or other agency having jurisdiction over it.

9.2 Covenants. Each Party covenants as follows:

(a) In the performance of its obligations under this Agreement, such Party shall comply, and shall cause its and its Affiliates' employees and contractors to comply with, all Applicable Laws.

(b) Such Party's and its Affiliates' employees and contractors shall not, in connection with the performance of their respective obligations under this Agreement, directly or indirectly through Third Parties, pay, promise, or offer to pay, or authorize the payment of, any money or give any promise or offer to give, or authorize the giving of anything of value to a Public Official or Entity or other person for purpose of obtaining or retaining business for or with, or directing business to, any person, including such Party (and such Party represents and warrants that as of the Effective Date, such Party, and to its knowledge, its and its Affiliates' employees and contractors, have not directly or indirectly promised, offered, or provided any corrupt payment, gratuity, emolument, bribe, kickback, illicit gift, or hospitality or other illegal or unethical benefit to a Public Official or Entity or any other person in connection with the performance of such Party's obligations under this Agreement (or, with respect to Licensor, in connection with Exploitation of the Licensed Antibody or Licensed Products), and such Party covenants that it and its Affiliates' employees and contractors shall not, directly or indirectly, engage in any of the foregoing).

(c) Such Party and its Affiliates, and their respective employees and contractors, in connection with the performance of their respective obligations under this Agreement, shall not authorize or cause its indemnitees to be in violation of the FCPA, Export Control Laws, or any other Applicable Laws. Each Party agrees that it will not export, directly or indirectly, any technical information acquired from the other Party under this Agreement or any products using such technical information to a location or in a manner that at the time of export requires an export license or other governmental approval, without first obtaining the written consent to do so from the appropriate agency or other governmental entity in accordance with Applicable Law (including Export Control Laws). [***].

[***]

(d) Such Party shall immediately notify the other Party if such Party has any information or suspicion that there may be a violation of the FCPA, or Export Control Laws in connection with the performance of this Agreement or the Development, manufacture, or Commercialization of any Licensed Product.

(e) In connection with the performance of its obligations under this Agreement, such Party shall comply and shall cause its and its Affiliates' employees and contractors to comply with such Party's own anti-corruption and anti-bribery policy.

(f) Each Party shall, and shall cause its Affiliates and require its (Sub)licensees to:

(i) comply at all times with the Data Protection Laws for all Personal Data collected, Processed, hosted, or transmitted in performance of this Agreement;

(ii) at all times, act in a manner such that it is not subject to any prohibition or restriction which shall (i) prevent or restrict it from disclosing or transferring the Personal Data to the other Party (including any transfer from one jurisdiction to another), as may be required under this Agreement; or (ii) prevent or restrict it from Processing the Personal Data as contemplated under this Agreement;

(iii) implement measures designed to ensure that all informed consent, notices, or any other requirements under the Data Protection Laws, have been obtained by the study sponsor and are maintained and are sufficient in scope to enable the other Party to Process the Personal Data as required in order to comply with its obligation under this Agreement (including the transfer of all applicable Personal Data);

(iv) implement and maintain commercially reasonable administrative, technical, and physical safeguards designed to (A) maintain the security and confidentiality of the Personal Data; (B) protect against reasonably anticipated threats or hazards to the security or integrity of the Personal Data; and (C) protect against unauthorized access to or use of Personal Data, in accordance with the Data Protection Laws; and

(v) notify the other Party promptly and without undue delay upon learning of any actual misappropriation or unauthorized access to, or disclosure or use of the Personal Data (a "**Data Breach**") Processed under this Agreement and in its possession, custody or control. The Party that experienced the Data Breach shall promptly investigate each Data Breach that it becomes aware of or has reason to suspect may have occurred and, in the case of a Data Breach and shall provide reasonable levels of access and information to the other Party. The Parties shall cooperate in identifying any reasonable steps that should be implemented to limit, stop or otherwise remedy a Data Breach.

9.3 Additional Licensor Representations and Warranties. Licensor represents, warrants, and covenants, as applicable, to Licensee that, as of the Effective Date:

(a) Schedule 1.69 is a complete and accurate list of all Patents Controlled by Licensor or any of its Affiliates as of the Effective Date included in the definition of Licensed Patents and all such Patents listed on Schedule 1.69 are (i) except as Patents in-licensed in accordance with the agreement set forth in Schedule 1.123, solely and exclusively owned by Licensor, free of any encumbrance, lien, or claim of ownership by any Third Party, and (ii) filed and maintained properly and correctly and all applicable fees have been paid on or before the due date for payment or during any extension thereof;

(b) (i) The Patents set forth in Schedule 1.69 constitute all of the Patents Controlled by Licensor or any of its Affiliates that are necessary or reasonably useful for the Development, manufacture or Commercialization of the Licensed Antibody and Licensed Products in the Licensed Field in the Territory and (ii) as of the Effective Date, Licensor or its Affiliates does not own or hold rights to any Patents that would otherwise qualify as a Licensed Patent but for the fact that Licensor does not Control such Patent;

(c) Each of the Licensed Patents properly identifies each and every inventor of the claims thereof as determined in accordance with the laws of the jurisdiction in which such Patent is issued, or such application is pending;

(d) Licensor has the full authority and right to grant all rights and licenses it purports to grant to Licensee with respect to the Licensed IP under this Agreement, free and clear of any rights therein granted to any Third Party;

(e) Except as set forth in Schedule 1.123, all Licensed IP is owned by Licensor and is not held under license from any other person or entity;

(f) Complete (subject to redactions solely with respect to commercially sensitive information not pertinent to the sublicense granted under this Agreement), true and correct copies of the Upstream Agreements and any amendments or modifications thereto as of the Effective Date have been provided to Licensor prior to the execution of this Agreement;

(g) Licensor and its Affiliates shall comply in all material respects with all terms and conditions of the Upstream Agreements, including timely payment of all amounts due to be paid by Licensor or its Affiliate thereunder. Neither Licensor or any of its Affiliates shall take or omit to take any action, or permit any acts or omissions, that could be construed as a violation of such applicable terms and conditions under the Upstream Agreements. Neither Licensor nor any of its Affiliates shall terminate any Upstream Agreement or amend or waive any right under any Upstream Agreement that adversely affects the rights granted to Licensee hereunder without the prior written consent of the Licensee. Licensor shall promptly notify Licensee upon receipt of any notice of breach of any Upstream Agreement, and if applicable, Licensee shall have the right to cure such breach at the cost of Licensor;

(h) Licensor has not granted any liens or security interests on any of the Licensed IP, and Licensor shall not, and shall cause its Affiliates not to, assign, transfer, convey or otherwise encumber its right, title or interest in or to the Licensed IP;

(i) Licensor [***], all of which is free and clear of any claims, liens, charges, or encumbrances (other than those granted herein or entered into in the ordinary course of business) and has the full authority and right to [***], and Licensor has the authority to [***];

(j) Licensor has not received any written notice from a Third Party that the research or Development of any Licensed Antibody or Licensed Product conducted by Licensor prior to the Effective Date has infringed any Patents or misappropriated any Know-How of any Third Party;

(k) To Licensor's knowledge, the Development, use, manufacture, Commercialization, and other Exploitation of any Licensed Antibody or Licensed Product in the Territory can be carried out as contemplated under this Agreement without infringing any Patents or misappropriating any Know-How of any Third Party;

(l) Licensors has not as of the Effective Date, and will not during the Term, grant to any Third Party any right under the Licensed IP that would conflict with the rights granted to Licensee hereunder;

(m) (i) No claim or action has been brought or, to Licensors knowledge, threatened, by any Third Party alleging that (A) any of the Licensed Patents are invalid or unenforceable, or (B) the use of the Licensed Know-How infringes or misappropriates, or would infringe or misappropriate, any intellectual property right of any Third Party, and (ii) to Licensors knowledge, no facts or circumstances exist that would reasonably be expected to give rise to any such claims described in the foregoing subclause (i);

(n) There are no pending or, to Licensors knowledge, alleged or threatened, (i) inter partes reviews, post-grant reviews, interferences, re-examinations, or oppositions involving the Licensed Patents that are in or before any patent authority (or other Governmental Authority performing similar functions) or (ii) inventorship challenges involving the Licensed Patents that are in or before any patent or other Governmental Authority;

(o) To Licensors knowledge, no Third Party is infringing or misappropriating or has infringed or misappropriated or is threatening to infringe or misappropriate the Licensed IP;

(p) Licensors and its Affiliates have conducted, and their respective contractors and consultants have conducted, all research and Development of the Licensed Antibody and Licensed Products, including any and all non-clinical, pre-clinical, and clinical studies of the Licensed Antibody, in accordance with Applicable Laws and, as applicable, GLP and good clinical practice, in all material respects, and to its knowledge, neither Licensors nor any of its Affiliates has used any employee, consultant, or contractor who has been debarred by any Regulatory Authority, or to its knowledge, is the subject of a debarment proceeding by any Regulatory Authority;

(q) The Licensed Patents have, as of the Effective Date, been diligently prosecuted in the respective patent offices in the Territory in accordance with Applicable Law. The Licensed Patents have been filed and maintained properly and correctly and all applicable fees have been paid on or before the due date for payment;

(r) True, complete and correct copies of: (i) any documents and materials relating to the prosecution, defense, maintenance, validity and enforceability of the Licensed Patents and (ii) all material adverse information with respect to the safety and efficacy of the Licensed Antibody known to Licensors, in each case (i) and (ii), have been provided or made available to Licensee prior to the Effective Date;

(s) Licensors and its Affiliates have generated, prepared, maintained and retained all regulatory documentation that is required to be maintained or retained pursuant to and in accordance with GLP and good clinical practice (if applicable) and Applicable Law, and all such information is true, complete and correct in all material respects;

(t) All current and former officers, employees, agents, and consultants of Licensors or any of its Affiliates who are inventors of or have otherwise contributed in a material manner to the creation or development of any Licensed IP have executed and delivered to Licensors or its Affiliate an assignment or other agreement regarding the protection of proprietary information and the assignment to Licensors or such Affiliate of any Licensed IP. To Licensors knowledge, no current officer, employee, agent, or consultant of Licensors or any of its Affiliates is in violation of any term of any assignment or other agreement regarding the protection of intellectual property or proprietary information of Licensors or such Affiliate;

(u) The Licensed Know-How has been kept confidential or has been disclosed to Third Parties only under terms of confidentiality. To the knowledge of Licensor and its Affiliates, no breach of such confidentiality has been committed by any Third Party;

(v) With respect to the drug substance and drug product of Licensed Antibody and Licensed Products, manufactured and supplied by or on behalf of Licensor hereunder, all such Licensed Antibody shall be in material conformity with the applicable specifications for such Licensed Antibody, shall have been manufactured in conformance with GMP and Applicable Law, and shall have been manufactured in facilities that are in compliance with Applicable Law at the time of such manufacture;

(w) The inventions claimed by the Licensed Patents (i) were not conceived, discovered, developed, or otherwise made in connection with any research activities funded, in whole or in part, by any Governmental Authority, including the federal government of the U.S. or any agency thereof, (ii) are not a “subject invention” as that term is described in 35 U.S.C. Section 201(e) or foreign equivalents;

(x) All informed consent forms for Clinical Trials conducted by or on behalf of Licensor for any Licensed Product permit the transfer of clinical data generated in such Clinical Trials to Licensee as contemplated under this Agreement in compliance with Applicable Law, and Licensor has obtained any filings, approvals or other clearances required under the Regulation on the Administration of Human Genetic Resources and currently effective implementing rules, guidelines and other documents issued by Regulatory Authority in the Retained Territory as necessary to fulfill its obligations under this Agreement; and

(y) All information provided by Licensor to Licensee for due diligence purposes in relation to this Agreement is accurate in all material respects, and, to Licensor’s knowledge, Licensor has not omitted to provide Licensee with any material information in its control concerning the safety or efficacy of the Licensed Antibody or any Licensed Product.

9.4 Disclaimer. EXCEPT FOR THE EXPRESS WARRANTIES SET FORTH IN THIS AGREEMENT, EACH PARTY EXPRESSLY DISCLAIMS ANY AND ALL WARRANTIES OF ANY KIND, WHETHER EXPRESS, IMPLIED, OR STATUTORY, INCLUDING WARRANTIES OF DESIGN, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NONINFRINGEMENT OF THE INTELLECTUAL PROPERTY RIGHTS OF THIRD PARTIES, OR ARISING FROM A COURSE OF DEALING, USAGE, OR TRADE PRACTICES, IN ALL CASES WITH RESPECT THERETO. NEITHER PARTY MAKES ANY REPRESENTATION OR WARRANTY, EITHER EXPRESS OR IMPLIED, THAT ANY OF THE DEVELOPMENT, MANUFACTURING, OR COMMERCIALIZATION EFFORTS WITH REGARD TO ANY COMPOUND OR PRODUCT WILL BE SUCCESSFUL.

10. INDEMNIFICATION

10.1 Indemnification by Licensee. Licensee hereby agrees to defend, indemnify, and hold harmless Licensor, its Affiliates, its sublicensees of the rights granted to Licensor under [Section 2.2](#) and their respective directors, officers, employees, and agents (each, a “*Licensor Indemnitee*”) from and against any and all liabilities, expenses, and losses, including reasonable legal expenses and attorneys’ fees (collectively, “*Losses*”), to which any Licensor Indemnitee may become subject as a result of any claim, demand, action, or other proceeding (each, a “*Claim*”) by any Third Party to the extent such Losses arise out of:

(a) the Development, use, manufacture, Commercialization, or other Exploitation of any Licensed Antibody or Licensed Product by Licensee or its Affiliates or Sublicensees;

(b) the negligence or willful misconduct of any Licensee Indemnitee; or

(c) the breach by Licensee of any warranty, representation, covenant, or agreement made by Licensee in this Agreement;

except, in each case (a)-(c), to the extent such Losses arise out of any activities set forth in Section 10.2 for which Licenser is obligated to indemnify any Licensee Indemnitee under Section 10.2.

10.2 Indemnification by Licenser. Licenser hereby agrees to defend, indemnify, and hold harmless Licensee, its Affiliates, and Sublicensees and their respective directors, officers, employees, and agents (each, a “*Licensee Indemnitee*”) from and against any and all Losses to which any Licensee Indemnitee may become subject as a result of any Claim by any Third Party to the extent such Losses arise out of:

(a) the Development, use, manufacture, Commercialization, or other Exploitation of any Licensed Antibody or Licensed Product by Licenser or its Affiliates or licensees (other than Licensee);

(b) the negligence or willful misconduct of any Licenser Indemnitee;

(c) the breach by Licenser of any warranty, representation, covenant, or agreement made by Licenser in this Agreement; or

(d) any claim by Licenser’s Affiliate or Third Party licenser in connection with [***];

except, in each case (a)-(d), to the extent such Losses arise out of any activities set forth in Section 10.1 for which Licensee is obligated to indemnify any Licenser Indemnitee under Section 10.1.

10.3 Indemnification Procedure.

(a) The Party claiming indemnity under this Article 10 (the “*Indemnified Party*”) shall give written notice to the Party from whom indemnity is being sought (the “*Indemnifying Party*”) promptly after learning of such Claim.

(b) The Indemnified Party shall provide the Indemnifying Party with reasonable assistance, [***], in connection with the defense of the Claim for which indemnity is being sought. The Indemnified Party may participate in and monitor such defense with counsel of its own choice [***]; provided, however, that the Indemnifying Party shall have the right to assume and conduct the defense of the Claim with counsel of its choice.

(c) The Indemnifying Party shall not settle any Claim without the prior written consent of the Indemnified Party, not to be unreasonably withheld, conditioned, or delayed, unless the settlement involves only the payment of money, no admission of wrong-doing or fault by the Indemnified Party, and no restriction on the future actions or activities of the Indemnified Party. So long as the Indemnifying Party is actively defending the Claim in good faith, the Indemnified Party shall not settle such Claim without the prior written consent of the Indemnifying Party.

(d) If the Indemnifying Party does not assume and conduct the defense of the Claim as provided above, (i) the Indemnified Party may defend against and consent to the entry of any judgment, or enter into any settlement with respect to, the Claim in any manner the Indemnified Party may deem reasonably appropriate, provided that the Indemnified Party need to consult with and obtain any consent from, the Indemnifying Party in connection with such settlement, and (ii) the Indemnifying Party will remain responsible to indemnify the Indemnified Party as provided in this Article 10.

10.4 Insurance. During the Term and for [***] thereafter, each Party, [***], shall maintain commercial general liability insurance and other appropriate insurance in an amount consistent with sound business practice and reasonable in light of its obligations under this Agreement. Each Party shall provide a certificate of insurance (or evidence of self-insurance) evidencing such coverage to the other Party upon the other Party’s request.

10.5 Limitation of Liability. EXCEPT FOR DAMAGES THAT (A) ARISE IN CONNECTION WITH A PARTY'S (I) GROSS NEGLIGENCE, WILLFUL MISCONDUCT OR FRAUD OR (II) BREACH OF ITS OBLIGATIONS UNDER ARTICLE 11 OR SECTION 2.6, OR (B) ARE SUBJECT TO INDEMNIFICATION UNDER SECTION 10.1 OR SECTION 10.2, NEITHER PARTY SHALL BE LIABLE IN CONTRACT, TORT, NEGLIGENCE, BREACH OF STATUTORY DUTY, OR OTHERWISE FOR ANY SPECIAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES OR FOR LOSS OF PROFITS SUFFERED BY THE OTHER PARTY (OR ITS AFFILIATES OR (SUB)LICENSEES), REGARDLESS OF ANY NOTICE OF THE POSSIBILITY OF SUCH DAMAGES.

11. CONFIDENTIALITY

11.1 Confidential Information. Except to the extent expressly authorized by this Agreement or otherwise agreed in writing by the Parties, the Parties agree that, during the Term and for [***] thereafter, the receiving Party shall keep confidential and shall not publish or otherwise disclose, and shall not use for any purpose other than as expressly provided for in this Agreement, any Confidential Information of the other Party, and both Parties shall keep confidential and, subject to the remainder of this Article 11, shall not publish or otherwise disclose the terms of this Agreement. Each Party may use the other Party's Confidential Information only to the extent required to accomplish the purposes of this Agreement, including exercising its rights and performing its obligations under this Agreement. Each Party will use at least the same standard of care as it uses to protect proprietary or confidential information of its own (but no less than reasonable care) to ensure that its employees, agents, consultants, contractors, and other representatives do not disclose or make any unauthorized use of the other Party's Confidential Information. Each Party will promptly notify the other upon discovery of any loss or unauthorized use or disclosure of the other Party's Confidential Information.

11.2 Exceptions. The obligations of confidentiality and restriction on use under Section 11.1 will not apply to any information that the receiving Party can prove by competent written evidence:

- (a) is now, or hereafter becomes, through no act or failure to act on the part of the receiving Party, generally known or available to the public;
- (b) is known by the receiving Party at the time of receiving such information, other than by previous disclosure of the disclosing Party, or its Affiliates, employees, agents, consultants, or contractors; provided that, for clarity, the foregoing exception shall not apply to Licensed Know-How;
- (c) is hereafter furnished to the receiving Party without restriction by a Third Party who has no obligation of confidentiality or limitations on use with respect thereto, as a matter of right; or
- (d) is independently discovered or developed by the receiving Party without the use of the disclosing Party's Confidential Information.

11.3 Authorized Disclosure. Each Party may disclose Confidential Information belonging to the other Party as expressly permitted by this Agreement or if and to the extent such disclosure is reasonably necessary in the following instances:

- (a) filing, prosecuting, and maintaining Patents as permitted by this Agreement;
- (b) filing Regulatory Filings for Licensed Products that such Party has a license or right to Develop, manufacture, and Commercialize under this Agreement in its Applicable Territory;
- (c) prosecuting or defending litigation as permitted by this Agreement;

(d) complying with Applicable Law (including regulations promulgated by securities exchanges) or court or administrative orders;

(e) disclosure to actual and bona fide potential investors, acquirors, licensees, licensors, and other financial or commercial partners for the purpose of evaluating or carrying out an actual or potential investment, acquisition, or collaboration, in each case under written obligations of confidentiality and non-use at least as stringent as those herein or otherwise customary for the circumstances of such disclosure; and

(f) disclosure to its and its Affiliates' employees, consultants, contractors, agents, licensees, and sublicensees, in each case on a need-to-know basis in connection with the Development, manufacture, Commercialization or other Exploitation of the Licensed Antibody and Licensed Products in accordance with the terms of this Agreement, in each case under written obligations of confidentiality and non-use at least as stringent as those herein.

Notwithstanding the foregoing, in the event that a Party is required to make a disclosure of the other Party's Confidential Information pursuant to [Section 11.3\(b\)](#) or [Section 11.3\(d\)](#), it will, except where impracticable, give reasonable advance notice to the other Party of such disclosure and use efforts to secure confidential treatment of such Confidential Information at least as diligent as such Party would use to protect its own confidential information of a similar nature, but in no event less than reasonable efforts. In any event, the Parties agree to take all reasonable action to avoid disclosure of Confidential Information. Any information disclosed pursuant to any of the foregoing subsections shall remain Confidential Information and subject to the foregoing provisions of this [Article 11](#).

11.4 Publications. A Party shall deliver to the other Party for review a copy of any proposed scientific publication or presentation relating to any Licensed Product contemplated for publication by such Party and incorporating the other Party's Confidential Information at least [***] before its intended submission for publication and should consider comments of the other Party in good faith. The other Party shall have the right to require modifications of the proposed publication or presentation to protect its Confidential Information. The other Party may also delay the submission of the proposed publication or presentation for an additional [***] as may be reasonably necessary to seek patent protection for the information disclosed in such proposed publication or presentation. Each Party agrees to acknowledge the contribution of the other Party in all publications as scientifically appropriate. For clarity, neither Party shall be required to provide to the other Party any proposed publication or presentation with respect to information that has already been publicly disclosed by such Party or by the other Party in accordance with this Agreement; provided that such information remains accurate as of such time.

11.5 Publicity; Public Disclosures. All press releases relating to this Agreement or its activities hereunder should be subject to approval of both Parties and, if requested by the Licensor, should reflect Licensor's name as the licensor of the Licensed Product to the extent such press release relates to the existence of this Agreement, provided that, notwithstanding the foregoing, Licensee and its Affiliates and its and their Sublicensees shall have the right to publicly disclose research, development and commercial information (including with respect to regulatory matters) regarding the Licensed Antibody and Licensed Product without Licensor's approval, such disclosure to be subject to the provisions of this [Article 11](#) with respect to Licensor's Confidential Information. Notwithstanding anything to the contrary in the foregoing, either Party may issue such press releases or make such disclosures to the SEC, the Hong Kong Stock Exchange, or other applicable agency as it determines reasonably necessary to comply with Applicable Laws or for appropriate market disclosure. Each Party shall provide the other Party with advance notice of any such legally required disclosures to the extent practicable. The Parties will consult with each other on the provisions of this Agreement to be redacted in any filings made by a Party with the SEC or as otherwise required by the Hong Kong Stock Exchange or Applicable Laws; provided that each Party shall have the right to make any such filing as it determines reasonably necessary to comply with Applicable Laws or for appropriate market disclosure. In addition, once the existence of this Agreement, the identity of the other Party, or any terms of this Agreement are publicly disclosed in accordance with this [Section 11.5](#), either Party shall be free to disclose, without the other Party's prior written consent, such information as has already been publicly disclosed in accordance with this [Section 11.5](#).

11.6 Equitable Relief. Given the nature of the Confidential Information and the competitive damage that a Party would suffer upon unauthorized disclosure, use, or transfer of its Confidential Information to any Third Party, the Parties agree that monetary damages may not be a sufficient remedy for any breach of this [Article 11](#). In addition to all other remedies, a Party shall be entitled to seek specific performance and injunctive and other equitable relief as a remedy for any breach or threatened breach of this [Article 11](#).

12. TERM AND TERMINATION

12.1 Term. This Agreement shall commence on the Effective Date and, unless terminated earlier as provided in this [Article 12](#) or by mutual written agreement of the Parties, shall continue, on a Licensed Product-by-Licensed Product and country-by-country basis, until the expiration of the Royalty Term for such Licensed Product in such country in the Territory (the “**Term**”). Following expiration of this Agreement with respect to a Licensed Product in a country in the Territory, the license granted to Licensee in [Section 2.1](#) shall be deemed to be non-exclusive, perpetual, irrevocable, and fully paid-up with respect to such Licensed Product in such country. For clarity, the licenses granted by the Licensee to the Licensor under [Section 2.2](#) shall survive the expiration of this Agreement.

12.2 Termination for Cause.

(a) Material Breach. Each Party shall have the right to terminate this Agreement immediately in its entirety upon written notice to the other Party if such other Party materially breaches this Agreement and has not cured such breach to the reasonable satisfaction of the other Party within [***] after notice of such breach from the non-breaching Party; provided that if Licensee’s material breach is specific to a particular country or jurisdiction in the Territory, then Licensor shall only have the right to terminate this Agreement to such country or jurisdiction. If cure of such breach (other than non-payment) cannot reasonably be effected within such [***] period, the breaching Party shall deliver to the non-breaching Party a plan reasonably calculated to cure such breach within a reasonable timeframe, but in any event within [***]. So long as the breaching Party is diligently carrying out such plan, the non-breaching Party shall not have the right to terminate this Agreement within such timeframe. If the breaching Party fails to diligently carry out such plan to cure such breach as provided above, or if the breach is not cured within such timeframe, then the non-breaching Party may terminate this Agreement upon written notice to the breaching Party.

(b) Disputed Breach. If the alleged breaching Party disputes in good faith the existence or materiality of a breach specified in a notice provided by the other Party, and such alleged breaching Party provides the other Party notice of such dispute within [***], then the other Party shall not have the right to terminate this Agreement under [Section 12.2\(a\)](#) unless and until a panel of arbitrators, in accordance with [Article 13](#), has determined that the alleged breaching Party has materially breached this Agreement and such Party fails to cure such breach within the applicable cure period set forth above following such decision.

(c) Bankruptcy. Each Party shall have the right to terminate this Agreement immediately in its entirety upon written notice to the other Party if such other Party makes a general assignment for the benefit of creditors, files an insolvency petition in bankruptcy, petitions for or acquiesces in the appointment of any receiver, trustee, or similar officer to liquidate or conserve its business or any substantial part of its assets, commences under the laws of any jurisdiction any proceeding involving its insolvency, bankruptcy, reorganization, adjustment of debt, dissolution, liquidation, or any other similar proceeding for the release of financially distressed debtors or becomes a party to any proceeding or action of the type described above and such proceeding is not dismissed within [***] after the commencement thereof.

(d) Termination for Patent Challenge. In the event that the Licensee or any of its Affiliates or Sublicensees institutes, prosecutes or otherwise participates in (or in any way aids any Third Party in instituting, prosecuting or participating in), at law or in equity or before any administrative or regulatory body, any claim, demand, action or cause of action for declaratory relief, damages or any other remedy or for an injunction, injunction or any other equitable remedy, including any interference, re-examination, opposition or any similar proceeding, alleging that any claim in a Licensed Patent is invalid, unenforceable or otherwise not patentable or would not be infringed by the Licensee's or its Affiliates' or Sublicensees' activities with respect to the Development, Manufacture or Commercialization of Licensed Antibody or Licensed Product absent the rights and licenses granted hereunder (collectively, a "**Patent Challenge**"), then the Licensor shall have the right to (i) terminate this Agreement in its entirety upon [***] prior written notice, unless, prior to expiry of such [***] period, the Licensee or its relevant Affiliate or Sublicensee has filed a motion to withdraw or dismiss such action; or (ii) with respect to a Patent Challenge by a Sublicensee, unless the Licensee and its Affiliates terminate all licenses or other agreements with such Sublicensee pursuant to which rights under this Agreement have been sublicensed by the Licensee or its Affiliates as soon as possible (no later than [***]), terminate this Agreement in its entirety upon written notice to the Licensee. For the avoidance of doubt, the following will not give rise to a right to terminate this Agreement by the Licensor under this Section 12.2(d): (i) any Patent Challenge asserted as a defense or counterclaim to an action first brought by the Licensor or any of its Affiliates against the Licensee or any of its Affiliates or Sublicensees and (ii) with respect to any Patent Challenge asserted by a Third Party that becomes an Affiliate of Licensee (whether through merger, acquisition, consolidation or other similar transaction and whether or not such transaction results in Change of Control of Licensee), and such Patent Challenge commenced prior to the consummation of such transaction.

12.3 Termination without Cause by Licensee. Licensee shall have the right to terminate this Agreement in its entirety, or on a country-by-country or Licensed Product-by-Licensed Product basis, at any time, for any or no reason, upon [***] written notice to Licensor.

12.4 Effects of Termination. Upon any termination of this Agreement with respect to a country, a Licensed Product or in its entirety, the terms of this Section 12.4 will apply. For clarity, during the pendency of any Dispute regarding material breach and/or during any termination notice period, all of the terms and conditions of this Agreement shall remain in effect and the Parties shall continue to perform all of their respective obligations hereunder.

(a) Licenses. If the Agreement is terminated in its entirety, the licenses granted under Section 2.1 will automatically terminate. If termination of this Agreement solely with respect to a Licensed Product (the "**Terminated Product**") or country (the "**Terminated Country**"), the license granted by Licensor to Licensee shall terminate with respect to such Terminated Product or Terminated Country and this Agreement shall continue in full force and effect with respect to all other Licensed Products and other countries in the Territory not subject to termination. Notwithstanding the foregoing, the licenses granted by the Licensee to the Licensor under Section 2.2 shall survive the termination of this Agreement, unless this Agreement is terminated in its entirety by the Licensee pursuant to Section 12.2(a). For clarity and notwithstanding anything to the contrary in the foregoing, following termination of this Agreement, Licensee shall have no obligation to perform any technology transfer with respect to any Licensee IP to Licensor.

(b) Settlement of Payments. Each Party shall immediately pay or cause to be paid to the other Party all sums which at the date of termination are due and payable to the other Party under this Agreement.

(c) Inventory. The Licensee, its Affiliates and its Sublicensees shall, at request of the Licensor, transfer the Terminated Products that have been manufactured or is in the process of being manufactured at the time of termination to Licensor at a transfer price to be agreed between the Parties, provided that upon request of Licensee, Licensee will have the continued right to sell the Licensed Products in the Territory from its inventory for a period of up to [***] subject to the payment of any royalties due to Licensor hereunder.

(d) Sublicenses. Solely in the event this Agreement is terminated by the Licensor pursuant to Section 12.2, any Sublicenses to Third Party Sublicensee granted by the Licensee or its Affiliates under the Licensed IP prior to the effective date of termination of this Agreement shall, upon reasonable written request by the relevant Sublicensee within [***] after the effective date of termination of this Agreement, survive any such termination for a reasonable period of time during which the Licensor will enter into a new agreement with such Third Party Sublicensee for a direct license to the Licensed Product of substantially identical scope as the Sublicense granted by the Licensee or its Affiliates and on financial and other terms substantially identical to the corresponding terms in this Agreement, and such Sublicense shall terminate effective upon the effective date of the direct license between the Licensor and the Third Party Sublicensee, provided that (x) such Sublicensee is then in material compliance with the applicable provisions of this Agreement and the terms and conditions of the applicable Sublicense, (y) such Third Party Sublicensee agrees in writing to assume all applicable obligations of the Licensee under this Agreement, taking into consideration any differences in scope or territory between this Agreement and the applicable Sublicense agreement; and provided further that in no event will the Licensor be obligated to fulfill any of the Licensee's obligations under such Sublicense.

(e) Grant-back. If this Agreement is terminated in its entirety or solely with respect to a Licensed Product or a country, except in the event that Licensee has terminated this Agreement pursuant to Section 12.2(a), if Licensor desires to obtain a license to Licensee Reversion Technology solely to Exploit Terminated Products (including any modifications or improvements thereof made by or on behalf of Licensor without including any Patents or Know-How Controlled by Licensee not included in Licensee Reversion Technology) in the Terminated Countries (or worldwide, if this Agreement is terminated in its entirety), then Licensor shall notify Licensee in writing, and the Parties shall negotiate in good faith financial terms and other commercially reasonable terms, taking into account, among other things, the stage of the applicable Terminated Products and the circumstances giving rise to such termination. For clarity, no such license shall be effective unless and until agreed by the Parties.

(f) Regulatory Materials and Regulatory Approval. Except in the event that Licensee has terminated this Agreement pursuant to Section 12.2(a), unless expressly prohibited by any Regulatory Authority or Applicable Law, per the request of Licensor, the Licensee shall transfer to the Licensor or its designee all of its right, title, and interest in all Regulatory Filings, regulatory materials and Regulatory Approvals Controlled by the Licensee and its Affiliates relating solely to the Terminated Product in the Terminated Countries; provided that, the Licensee may retain copies of such items. To the extent such transfer is prohibited by a Regulatory Authority or Applicable Law, the Licensee shall permit the Licensor to reference such Regulatory Filings, regulatory materials and Regulatory Approvals.

(g) Clinical Trials. Where and to the extent permitted by Applicable Law and Regulatory Authorities, the Licensee should wind down any ongoing Clinical Trials with respect to the Terminated Products in the Terminated Countries, [***], or if requested by the Licensor, transfer control to the Licensor or its designee of any Clinical Trials being conducted by the Licensee and its Affiliates for the Terminated Product in the Terminated Countries as of the applicable effective date of termination of this Agreement [***].

(h) Product Agreements. At the Licensor's written request, the Licensee shall, and shall cause its Affiliates and its and their Sublicensees to, assign to the Licensor or its designee all Product Agreements, unless, with respect to any such Product Agreement, such Product Agreement expressly prohibits such assignment, in which case the Licensee (or such Affiliate or Sublicensee, as applicable) shall cooperate with the Licensor in all reasonable respects to secure the consent of the applicable Third Party to such assignment and if any such consent cannot be obtained with respect to a Product Agreement, at the Licensor's written request, the Licensee shall, and shall cause its Affiliates and its and their Sublicensees to, obtain for the Licensor substantially all of the practical benefit and burden under such Product Agreement, or to assist the Licensor with entering into substantially similar agreement with such Third Party. "**Product Agreement**" means, with respect to a Terminated Product, any agreement entered into by and between the Licensee or any of its Affiliates or its or their Sublicensees, on the one hand and one or more Third Parties, on the other hand, that is solely and specifically related to the Development, manufacture or Commercialization of such Terminated Product in the Field in the Terminated Countries.

(i) Licensee shall take any other actions with respect to transition matters mutually agreed by the Parties that are intended to ensure orderly transition of the Development, manufacture and Commercialization of the Terminated Product(s) by Licensor in the Terminated Country(ies). For clarity, Licensor shall be solely responsible for all internal and out-of-pocket costs incurred by the Parties (including reimbursing Licensee with respect to all such costs) in connection with the activities contemplated under Section 12.4(h) through 12.4(i).

12.5 Confidential Information. Upon expiration or termination of this Agreement in its entirety, each Party shall promptly return to the other Party, or delete or destroy, all relevant records and materials in such Party's possession or control containing Confidential Information of the other Party; provided that a Party may keep one copy of such materials for legal archival purposes subject to continuing confidentiality obligations. Effective upon such termination, all Confidential Information solely relating to the Terminated Products shall be the Confidential Information of the Licensor (and the Licensor shall be deemed to be the disclosing Party and the Licensee shall be deemed the receiving Party with respect thereto).

12.6 Rights in Bankruptcy. All rights and licenses granted under or pursuant to this Agreement by one Party to the other Party are, and otherwise will be deemed to be, for purposes of Section 365(n) of the U.S. Bankruptcy Code or comparable provision of applicable bankruptcy or insolvency laws outside the U.S., licenses of right to "intellectual property" as defined under Section 101 of the U.S. Bankruptcy Code or comparable provision of applicable bankruptcy or insolvency laws outside the U.S. The Parties agree that a Party that is a licensee of such rights under this Agreement will retain and may fully exercise all of its rights and elections under the U.S. Bankruptcy Code or comparable provision of applicable bankruptcy or insolvency laws outside the U.S. The Parties further agree that, in the event of the commencement of a bankruptcy proceeding by or against a Party to this Agreement under the U.S. Bankruptcy Code or comparable provision of applicable bankruptcy or insolvency laws outside the U.S., the other Party will be entitled to a complete duplicate of (or complete access to, as appropriate) any such intellectual property and all embodiments of such intellectual property, and same, if not already in its possession, will be promptly delivered to it (a) upon any such commencement of a bankruptcy or insolvency proceeding upon its written request therefor, unless the bankrupt Party elects to continue to perform all of its obligations under this Agreement, or (b) if not delivered under subclause (a), following the rejection of this Agreement by or on behalf of the bankrupt Party upon written request therefor by the other Party.

12.7 Alternative Remedy in Lieu of Termination. If Licensor materially breaches Sections 2.1, 2.6, 2.8, 9.1, 9.3(a), 9.3(b), 9.3(d), 9.3(e), 9.3(h), 9.3(i), or 9.3(l) of this Agreement and due to which the Licensee has a right to terminate pursuant to Section 12.2(a), then, in lieu of terminating this Agreement, Licensee may, in its sole discretion, by providing written notice to Licensor, reduce all then-unearned milestone payments, royalties and sharing of Sublicense Income by [***]. [***]. For the avoidance of doubt, except as set forth in this Section 12.7, if Licensee exercises the alternative remedy set forth above in this Section 12.7, then all rights and obligations of both Parties under this Agreement will continue unaffected, unless and until this Agreement is subsequently terminated by either Party pursuant to Section 12.2 or Section 12.3, provided that such alternative liquidated damages remedy [***] for monetary damages for the material breach that originally gave rise to the Licensee's right to terminate this Agreement (provided that, for clarity, the foregoing [***] permitted under Applicable Law).

12.8 Survival. Expiration or termination of this Agreement shall not relieve the Parties of any obligation or right accruing prior to such expiration or termination. Except as set forth below or elsewhere in this Agreement, the obligations and rights of the Parties under the following provisions of this Agreement shall survive expiration or termination of this Agreement: Sections 8.1, 12.4, 12.5, 12.8 and Articles 1, 11, 13, 14.

13. DISPUTE RESOLUTION.

13.1 General. Any dispute between the Parties in connection with or relating to this Agreement or any document or instrument delivered in connection herewith other than matters subject to a Party's final decision-making authority set forth in Section 3.3 (such dispute, a "*Dispute*") shall be resolved pursuant to this Article 13.

13.2 Executive Officers. Any Dispute shall first be referred to the Executive Officers of the Parties, who shall confer in good faith on the resolution of the issue. Any final decision mutually agreed to by the Executive Officers shall be conclusive and binding on the Parties.

13.3 Intellectual Property Disputes. If the Executive Officers are not able to agree on the resolution of a Dispute within [***] (or such other period of time as mutually agreed by the Executive Officers) after such Dispute was first referred to them and such Dispute is with respect to the validity, scope, enforceability, inventorship, or ownership of any Patent, trademark, or other intellectual property right ("*IP Dispute*"), then, if a Party wishes to pursue further resolution of such IP Dispute, such Party may bring an action, claim, or proceeding to resolve such IP Dispute in any court of competent jurisdiction in any country or jurisdiction in which such intellectual property rights apply.

13.4 Arbitration. If the Executive Officers are not able to agree on the resolution of a Dispute within [***] (or such other period of time as mutually agreed by the Executive Officers) after such Dispute was first referred to them, then, except as set forth in Section 13.3, if a Party wishes to pursue further resolution of such Dispute, such Dispute shall be finally resolved by binding arbitration in accordance with this Section 13.4. Such Dispute shall be referred to and finally resolved by arbitration administered by the Singapore International Arbitration Centre ("*SIAC*") pursuant to the rules of SIAC then in effect (the "*Rules*"), except as otherwise provided herein and applying the substantive law specified in Section 14.1. The arbitration will be conducted in Singapore, Republic of Singapore, by a panel of [***] independent, neutral arbitrators appointed in accordance with the Rules; provided that each Party will, within [***] after the institution of the arbitration proceedings, nominate such an arbitrator, and such arbitrators will together, within [***], select a [***] such arbitrator to serve as the chairperson of the arbitration panel. Each arbitrator must have significant business or legal experience in the pharmaceutical business. If the [***] initial arbitrators are unable to select a [***] arbitrator within such [***] period, the [***] arbitrator will be appointed in accordance with Rules. After conducting any hearing and taking any evidence deemed appropriate for consideration, the arbitrators will be requested to render their opinion within [***] of the final arbitration hearing. The arbitration shall be conducted, and all documents submitted to the arbitrators shall be, in English. No panel of arbitrators will have the power to award damages excluded pursuant to Section 10.5 under this Agreement and any arbitral award that purports to award such damages is expressly prohibited and void ab initio. [***]; provided that the arbitral tribunal shall have the discretion to provide that [***], in such case the arbitral award will so provide. Decisions of the panel of arbitrators that conform to the terms of this Section 13.4 shall be final and binding upon the Parties and the Parties undertake to carry out any award without delay. Judgment on the award may be entered in any court of competent jurisdiction. Except to the extent necessary to confirm, enforce, or challenge an award of the arbitration, to protect or pursue a legal right, or as otherwise required by Applicable Laws or regulation or securities exchange, the existence, content, or results of any Dispute or arbitration hereunder (including any submissions (including exhibits, testimony, proposed rulings, briefs and transcripts) and the arbitrators' rulings and award) shall be Confidential Information of both Parties. Notwithstanding anything to the contrary in the foregoing, in no event shall an arbitration be initiated after the date when commencement of a legal or equitable proceeding based on the dispute, controversy, or claim would be barred by the applicable statute of limitations. Any disputes concerning the propriety of the commencement of the arbitration shall be finally settled by the arbitral tribunal.

13.5 Interim Relief. Notwithstanding anything herein to the contrary, nothing in this Article 13 shall preclude either Party from seeking interim or provisional relief, including a temporary restraining order, preliminary injunction, or other interim equitable relief concerning a Dispute in any court of competent jurisdiction before or after the initiation of an arbitration as set forth in Section 13.4, if necessary to protect the interests of such Party. This Section 13.5 shall be specifically enforceable.

14. GENERAL PROVISIONS

14.1 Governing Law. This Agreement, and all questions regarding the existence, validity, interpretation, breach, or performance of this Agreement, shall be governed by, and construed and enforced in accordance with, the laws of Singapore, without reference to its conflicts of law principles.

14.2 Entire Agreement; Modification. This Agreement, including the exhibits, a letter agreement between [***] and Licensee dated on the even date hereof (the "[***]"), and a letter agreement between Licensee and [***] dated on the even date hereof (the "[***]"), constitute both a final expression of the Parties' agreement and a complete and exclusive statement with respect to all of its terms. This Agreement, the [***] and the [***] collectively supersede all prior and contemporaneous agreements and communications, whether oral, written, or otherwise, concerning any and all matters contained herein. This Agreement may only be modified or supplemented in a writing expressly stated for such purpose and signed by the Parties to this Agreement.

14.3 Relationship Between the Parties. The Parties' relationship, as established by this Agreement, is solely that of independent contractors. This Agreement does not create any partnership, joint venture, or similar business relationship between the Parties. Neither Party is a legal representative of the other Party, and neither Party can assume or create any obligation, representation, warranty, or guarantee, express or implied, on behalf of the other Party for any purpose whatsoever.

14.4 Waiver. The waiver by either Party of any right under this Agreement or of the failure to perform or of a breach by the other Party shall not be deemed a waiver of any other right hereunder or of any other breach or failure by such other Party whether of a similar nature or otherwise. Any waiver by a Party of a particular term or condition will be effective only if set forth in a written instrument duly executed by or on behalf of the Party waiving such term or condition.

14.5 Assignment. Except as expressly provided hereunder, neither this Agreement nor any rights or obligations hereunder may be assigned or otherwise transferred by either Party without the prior written consent of the other Party (which consent shall not be unreasonably withheld, conditioned, or delayed); except that

(a) each Party may assign or otherwise transfer this Agreement and its rights and obligations hereunder without the other Party's consent in connection with a sale of all or substantially all of the business or assets of such Party to which this Agreement relates (and for clarity, in the case of Licensee, in connection with a sale of all or substantially all of its rights, title and interest in and to all Licensed Antibody and Licensed Products in the Territory), whether by merger, consolidation, divesture, restructure, sale of stock, sale of assets, or otherwise; or

(b) (i) the Licensor may not, without consent of the Licensee, assign this Agreement and its rights and obligations hereunder to an Affiliate of Licensor, which consent not to be unreasonably withheld, conditioned or delayed, and (ii) the Licensee may, solely after the first Change of Control of Licensee and Licensor or its Affiliates have sold, transferred or exchanged all shares of Licensee owned by Licensor or its Affiliates or Licensor and its Affiliates have no equity interest in Licensee, assign this Agreement and its rights and obligations hereunder to an Affiliate of Licensee without the consent of Licensor, which consent not to be unreasonably withheld, conditioned or delayed, provided that, in each case ((i) and (ii)) if the entity to which this Agreement is assigned ceases to be an Affiliate of the assigning Party, this Agreement shall be automatically assigned back to the assigning Party or its successor.

The rights and obligations of the Parties under this Agreement shall be binding upon and inure to the benefit of the successors and permitted assigns of the Parties specified above, and the name of a Party appearing herein will be deemed to include the name of such Party's successors and permitted assigns to the extent necessary to carry out the intent of this Section 14.5. Any assignment not in accordance with this Section 14.5 shall be null and void and of no legal force or effect.

14.6 Severability. If, for any reason, any part of this Agreement is adjudicated invalid, unenforceable, or illegal by a court of competent jurisdiction, such adjudication shall not affect or impair, in whole or in part, the validity, enforceability, or legality of any remaining portions of this Agreement. The Parties will in such an instance use their best efforts to replace the invalid, unenforceable, or illegal provision(s) with valid, enforceable, and legal provision(s) that best implement the original intent of the Parties and purposes of this Agreement.

14.7 Notices. Any notice to be given under this Agreement must be in writing and delivered either in person, by electronic mail, by air mail (postage prepaid) requiring return receipt, or by internationally recognized overnight delivery service, in each case to the Party to be notified at its address given below, or at any other address such Party may designate by prior written notice to the other in accordance with this Section 14.7. Notice shall be deemed sufficiently given for all purposes upon the earliest of: (a) if personally delivered, the date of actual receipt; (b) if sent by electronic mail, the date of personal acknowledgement by the intended recipient; (c) if air mailed, [***] after the date of postmark; or (d) if delivered by overnight delivery service, the [***] the overnight delivery service regularly makes deliveries.

If to Licensor, notices must be addressed to:

[***]

If to Licensee, notices must be addressed to:

[***]

14.8 Force Majeure. Each Party shall be excused from liability for the failure or delay in performance of any obligation under this Agreement by reason of any event beyond such Party's reasonable control, including fire, flood, explosion, earthquake, pandemic (including quarantine, lockdown or other similar orders imposed by any Governmental Authority in association with such pandemic), or other natural forces or acts of God, war, civil unrest, acts of terrorism, sabotage, strikes, riots, power failures, accident, destruction, or other casualty, or any other event similar to those enumerated above (each, a "**Force Majeure**"). Such excuse from liability shall be effective only to the extent and duration of the event(s) causing the failure or delay in performance and provided that the Party has not caused such event(s) to occur. Notice of a Party's failure or delay in performance due to Force Majeure must be given to the other Party within [***] after its occurrence. All delivery dates under this Agreement that have been affected by Force Majeure shall be tolled for the duration of such Force Majeure. In no event shall any Party be required to prevent or settle any labor disturbance or dispute.

14.9 Interpretation. The headings of clauses contained in this Agreement preceding the text of the sections, subsections, and paragraphs hereof are inserted solely for convenience and ease of reference only and shall not constitute any part of this Agreement or have any effect on its interpretation or construction. All references in this Agreement to the singular shall include the plural where applicable.

Unless otherwise specified, references in this Agreement to any Article shall include all Sections, subsections, and paragraphs in such Article, references to any Section shall include all subsections and paragraphs in such Section, and references in this Agreement to any subsection shall include all paragraphs in such subsection. The word “including,” and similar words, means including without limitation. The word “or” means “and/or” unless the context dictates otherwise because the subjects of the conjunction are, or are intended to be, mutually exclusive. The words “herein”, “hereof”, and “hereunder” and other words of similar import refer to this Agreement as a whole and not to any particular Section or other subdivision. All references to days in this Agreement mean calendar days, unless otherwise specified. Ambiguities and uncertainties in this Agreement, if any, shall not be interpreted against either Party, irrespective of which Party may be deemed to have caused the ambiguity or uncertainty to exist. This Agreement has been prepared in the English language and the English language shall control its interpretation. In addition, all notices required or permitted to be given hereunder, and all written, electronic, oral, or other communications between the Parties regarding this Agreement shall be in the English language.

14.10 Counterparts; Electronic Signatures. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which taken together shall be deemed to constitute one and the same agreement. The Parties agree that execution of this Agreement by industry standard electronic signature software and/or by exchanging executed signature pages in .pdf format via e-mail shall have the same legal force and effect as the exchange of original signatures, and that in any proceeding arising under or related to this Agreement, each Party hereby waives any right to raise any defense or waiver based upon execution of this Agreement by means of such electronic signatures or maintenance of the executed agreement electronically.

14.11 Restricted Information Sharing. Notwithstanding anything to the contrary: (a) nothing in this Agreement obligates Licensor, its Affiliates, licensee or sublicensees to disclose or provide access to any information to Licensee, the JSC, or otherwise to the extent such disclosure or access would, in the reasonable opinion of Licensor’s (or such Affiliate’s, licensee’s or sublicensee’s) outside counsel, violate an Applicable Law in the People’s Republic of China; and (b) nothing in this Agreement obligates Licensee, its Affiliates or Sublicensees to disclose or provide access to any information to Licensor, the JSC, or otherwise to the extent such disclosure or access would, in the reasonable opinion of Licensee’s (or such Affiliate’s or Sublicensee’s) outside counsel, violate an Applicable Law in the United States of America.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties hereto have caused this **LICENSE AGREEMENT** to be executed and entered into by their duly authorized representatives as of the Effective Date.

TRC 2004, INC.

By: /s/ Christopher M. Wilfong
Name: Christopher M. Wilfong
Title: President and CEO

GENOR BIOPHARMA CO LTD.

By: /s/ Feng Guo
Name: Dr. Feng Guo
Title: CEO

SIGNATURE PAGE TO LICENSE AGREEMENT

List of Schedules:

Schedule 1.65: Licensed Antibody

Schedule 1.69: Licensed Patents

Schedule 1.123: Upstream Agreements

Schedule 4.2(a): Initial Technology Transfer Schedule

Schedule 6.1(b): List of Documents for Second Installment of Upfront Payment

LICENSED ANTIBODY

[]**

LICENSED PATENTS

[]**

UPSTREAM AGREEMENTS

INITIAL TECHNOLOGY TRANSFER SCHEDULE

List of Documents for Second Installment of Initial Upfront Payment

**AMENDMENT
To
LICENSE AGREEMENT**

This Amendment (“**Amendment**”) to the LICENSE AGREEMENT dated and effective as of August 2, 2024 (the “**Agreement**”), by and between **CANDID THERAPEUTICS, INC.** (as successor in interest to TRC 2004, Inc.), a Delaware corporation, having an address at 11622 El Camino Real, Suite 150, San Diego, CA 92130 (“**Candid**”), and **GENOR BIOPHARMA CO LTD.** ([_____], in Chinese), a limited liability company having an address at Room 501-02, Bldg. 6, No. 690 Bibo Road, China (Shanghai) Pilot Free Trade Zone, Shanghai, China (the “**Licensor**”) shall be effective as of 28 March, 2025 (“**Amendment Effective Date**”). Capitalized terms used but not otherwise defined in this Amendment shall have the meaning ascribed to such terms in the Agreement. Candid and Licensor are each referred to in this Amendment individually as a “**Party**” and, collectively as the “**Parties**”.

WHEREAS, the Licensor and TRC have entered into the Agreement dated as of August 2, 2024;

WHEREAS, the Agreement was successfully assigned in its entirety by TRC 2004, Inc. to Candid on [***]; and

WHEREAS, the Parties intend to enter into this Amendment to amend and supplement certain terms of the Agreement.

NOW, THEREFORE, in consideration of the mutual covenants set forth below, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and upon the mutual written assent of the Parties, the Parties agree:

SECTION 1 DEFINITIONS

- 1.1** Capitalized terms used but not otherwise defined in this Amendment shall have the meaning ascribed to such terms in the Agreement.
- 1.2** All references to TRC in the Agreement and in this Amendment shall be replaced with Candid.

SECTION 2 AMENDMENT TO THE AGREEMENT

2.1 Amendment to Article 2 of the Agreement:

- (a) Section 2.1(b) of the Agreement is hereby deleted in its entirety and replaced with the below language:

“(b) a non-exclusive license, with the right to grant sublicenses through multiple tiers (subject to Section 2.3), under the Licensor China IP to perform non-clinical Development, perform clinical Development (solely (i) for clinical Development

pursuant to Section 4.3(e), or (ii) to the extent permitted under Section 4.3(d) for performance of Global Clinical Trial in the Retained Territory if the Licensor elects not to participate in such proposed Global Clinical Trial), manufacture and have manufactured the Licensed Antibody and Licensed Products in the Licensed Field in the Retained Territory, solely for the purposes set forth in the foregoing subclause (a).

- (b) Section 2.3 of the Agreement is hereby deleted in its entirety and replaced with the below language:

“2.3 Licensee Reserved Rights; Sublicensing by Licensee. Subject to Section 2.5, Licensee hereby reserves the right to practice, and to grant licenses under, the Licensee IP outside of the scope of the license granted in Section 2.2. For clarity, (a) Licensee retains the exclusive right under the Licensee IP to Develop, use, manufacture, Commercialize and otherwise Exploit the Licensed Antibody and Licensed Products in the Licensed Field in the Territory and (b) notwithstanding the license granted in Section 2.2, Licensee retains the right under the Licensee IP to perform its obligations or exercise its rights under this Agreement, including to perform non-clinical Development, perform clinical Development (solely (i) for clinical Development pursuant to Section 4.3(e), or (ii) to the extent permitted under Section 4.3(d) for performance of Global Clinical Trial in the Retained Territory if the Licensor elects not to participate in such proposed Global Clinical Trial), manufacture and have manufactured the Licensed Antibody and Licensed Products in the Licensed Field in the Retained Territory for the purposes of Exploiting the Licensed Antibody and Licensed Products in the Licensed Field in the Territory. Licensee shall have the right to grant sublicenses under the license granted to it pursuant to Section 2.1 without the consent of Licensor. Licensee shall grant any such sublicense on terms that are consistent with the terms of this Agreement, to the extent applicable based on the scope and purpose of such sublicense, and Licensee shall remain primarily liable to Licensor for the performance by the Affiliate receiving such sublicense or Sublicensee of Licensee’s obligations under this Agreement that are applicable to such Affiliate or Sublicensee. Licensee shall provide a true and complete copy of each sublicense agreement within [***] after the grant of a Sublicense, provided that Licensee shall have the right to redact from such copy any confidential or commercially sensitive terms to the extent not pertinent to Licensee’s rights or obligations under this Agreement or verification of compliance with the requirements of this Agreement. Licensee shall not grant sublicense to any sublicensee that has been debarred or disqualified by a Regulatory Authority.”

2.2 Amendment to Article 4 of the Agreement:

- (a) Section 4.3(d)(i) is hereby deleted in its entirety and replaced with the below language:

“(i) If Licensee desires to sponsor (or if the Parties mutually agree to conduct) any Clinical Trial for any Licensed Product in the Licensed Field that includes patient enrollment and clinical sites both in the Territory and the Retained Territory in connection with the Global Development Plan, Licensee shall provide reasonable advance notice thereof and Licensor shall have the right to elect to participate in such

Clinical Trial in the Retained Territory by providing written notice of such election to Licensee within [***] of receipt of such notice from Licensee (such Clinical Trial or component thereof, a "Global Clinical Trial"). If Licensor elects not to participate in such proposed Global Clinical Trial, or does not notify Licensee of its election to participate in a proposed Global Clinical Trial within such [***], then Licensee shall have the right to conduct such proposed Global Clinical Trial in the Licensed Field in the Territory and the Retained Territory [***]. For the avoidance of doubt, a Clinical Trial for any Licensed Product in the Licensed Field that includes enrollment and clinical sites solely within the Retained Territory shall not be considered a Global Clinical Trial."

- (b) Section 4.3(d)(ii) is hereby deleted in its entirety and replaced with the below language:

"(ii) If Licensor elects to participate in such Global Clinical Trial, then the Parties shall, through the JSC, discuss, and approve a comprehensive written Development plan that sets forth the timeline, budget, allocation of responsibilities and other details of such Global Clinical Trial and other material activities related thereto to be conducted by or on behalf of the Parties (the "Global Clinical Trial Plan"). The Global Clinical Trial Plan shall be consistent with the Global Development Plan and shall comply with the requirements of the Regulatory Authorities in the Retained Territory (including but not limited to the regulatory requirements related to IND filings and the new drug applications). From time to time, but at least once every [***], Licensee shall provide an update (including any proposed amendments) to the Global Clinical Trial Plan, which shall be consistent with the Global Development Plan. Licensee shall submit such proposed updated or amended Global Clinical Trial Plan to the JSC for discussion and approval. The updated or amended Global Clinical Trial Plan shall become effective upon approval by the JSC."

- (c) Section 4.3(d)(iii) is hereby deleted in its entirety and replaced with the below language:

"(iii) Licensee shall be the sponsor of each Global Clinical Trial and shall have the sole right and responsibility for development of the protocol, study design and standard operating procedures. Licensor shall be responsible for, [***] (A) interacting with Regulatory Authorities in the Retained Territory in connection with such Global Clinical Trial, including with respect to reporting of adverse events and other safety and quality matters in accordance with the Safety Data Exchange Agreement, (B) enrolling patients in such Global Clinical Trial in accordance with the Global Clinical Trial Plan and (C) managing the day-to-day operations of such Global Clinical Trial in the Retained Territory. The Parties will [***]. Notwithstanding the foregoing, the Parties agree that Licensor may select a Clinical Research Organization (CRO) at its sole discretion to conduct such Global Clinical Trial in the Retained Territory, provided that, the CRO selected by the Licensor shall comply with the Licensee's management plan of Global Clinical Trial over its CRO globally."

- (d) The following paragraph shall be inserted into Section 4.3 of the Agreement:

“(e) **Trials of GB261 for Autoimmune Disease.** Notwithstanding any other provision to the contrary herein, the Licensee shall have the right and shall use the Commercially Reasonable Efforts to conduct investigator-initiated trial(s) (the “**IITs**”) and Phase I Clinical Trial(s) (the “**Retained Territory Phase I Clinical Trial**” and, together with the IITs, the “**Trials**”) (for clarity, the Parties hereby acknowledge that such Trials shall not be deemed as the Global Clinical Trials) of a Licensed Product in the Retained Territory for the indication of autoimmune and inflammatory diseases (“**Target Field**”), subject to the following conditions and requirements:

- (i) **Responsibilities.** The Licensee shall be responsible for conducting the Trials according to the Global Development Plan [***]. The Licensee shall provide the JSC with periodic updates in reasonably sufficient details, in such frequency as approved by the JSC detailing its Development activities related to the Trials in advance of each regularly scheduled JSC meeting. The Licensee shall notify the Licensor promptly upon becoming aware of any information that would reasonably be expected to be material to the Development of, and obtaining the Regulatory Approvals for, the Licensed Product in the Retained Territory, and shall obtain Licensor’s prior written approval if any such activities or the data resulting therefrom will, or would reasonably be anticipated to result in, any submission to or inquiry or inspection from any Regulatory Authority of the Retained Territory, or would otherwise result in any material impact on the Exploitation of the Licensed Antibody or Licensed Product in the Retained Territory.
- (ii) **Manufacture of Licensed Product.** The Licensee shall appoint [***] as the contract development and manufacturing organization (the “**CDMO**”) to manufacture the clinical samples for the Retained Territory Phase I Clinical Trials. Candid agrees that it will not engage [***] or other CDMOs to manufacture and supply any Licensed Antibody or Licensed Product for the Retained Territory Phase I Clinical Trials, unless otherwise approved in writing by Licensor. Notwithstanding the foregoing, the Parties hereby agree that, the Licensee may engage a CDMO at its sole discretion to manufacture and supply any Licensed Antibody or Licensed Product for use in the IITs, provided that, all data and documents generated from such IITs and the engaged CDMO shall be shared with the Licensor as soon as practicable. For clarity, the clinical samples used for the Retained Territory Phase I Clinical Trial from which data may be submitted to the Regulatory Authority in the Retained Territory shall be manufactured by [***].
- (iii) **Regulatory Affairs.** The Licensee shall be responsible for, [***], preparing all the regulatory documentation for the Trials required by the competent Regulatory Authorities in the Retained Territory. The Licensor shall be responsible for filing the applications for the Trials to the competent Regulatory Authorities in the Retained Territory and the Licensee shall, upon the reasonable request of the Licensor, use Commercially Reasonable Efforts to provide necessary assistance to the Licensor relating to filing submissions to Regulatory Authorities. In the Retained Territory, the Licensee and the Licensor shall be registered as the co-sponsor for the Trials and shall duly perform their duties and obligations in accordance with Applicable Laws and this Agreement.

- (iv) **Development Records, Data, and Reports.** The Licensee shall maintain books and records pertaining to its Development activities related to the Trials in good scientific manner, which should be appropriate for patent and regulatory purposes. After the completion of and during the Trials, the Licensee shall share all related documents and data with the Licensor as soon as practicable. For clarity, either Party shall have the right to use the data generated from any Trials to the extent that: (i) the Licensee shall only use the data generated from the Trials for the Development, manufacturing, and commercialization of the Licensed Product within the Territory; and (ii) the Licensor shall only use the data generated from the Trials for the Development, manufacturing, and commercialization of the Licensed Product within the Retained Territory.
- (v) **Protocol Design.** The Licensee shall have the sole right and responsibility for development of the protocol, study design and standard operating procedures for the Trial (the “**Trial Protocol**”). The Licensee shall keep the Licensor reasonably informed of the progress of the Trial Protocol design and shall provide the Licensor with a draft of the Trial Protocol prior to its finalization. The Licensor shall have the opportunity to review and comment on the Trial Protocol, and Licensee shall consider Licensor’s reasonable comments in good faith. Notwithstanding the foregoing, the Licensee shall have the right to proceed with the finalization and implementation of the Trial Protocol without awaiting the Licensor’s feedback, provided that the Licensee has made a good-faith effort to incorporate the Licensor’s reasonable advice and comments, to the extent applicable.
- (vi) **Trial Site.** The Licensee shall have the sole right and responsibility over selection of the site(s) for the Trials (the “**Trial Sites**”), provided that the Licensee has made a good-faith effort to consider the Licensor’s reasonable advice and comments, to the extent applicable. The site agreement for the Trial (the “**Site Agreement**”) shall be executed by or on behalf of (e.g. by a contract research organization appointed by Licensee) the Licensee or its Affiliate. The Licensee shall keep the Licensor reasonably informed of the progress of the negotiation and execution of Site Agreements and shall provide the Licensor with a copy of the executed Site Agreements.
- (vii) **Pharmacovigilance.** The Parties agree that the Safety Data Exchange Agreement shall apply to the pharmacovigilance and safety data exchange procedures in relation to the Trials, and the Parties shall perform their respective rights and obligations in accordance with the provisions set forth under the Agreement.

(viii) **Future Clinical Trial.** Notwithstanding any other provision to the contrary herein, the Licensor shall have the right to conduct the Phase II Clinical Trial. (the “**Future Clinical Trial**”) of a Licensed Product in the Retained Territory in the Target Field (for clarity, the Parties hereby acknowledge that such Future Clinical Trial shall not be deemed as the Global Clinical Trials). If the Licensor desires to conduct the Future Clinical Trial, the Licensor shall provide reasonable advance notice to the Licensee and the Licensee shall have the right to elect to participate in such Future Clinical Trial by providing written notice of such election to the Licensor within [***] of receipt of such notice from the Licensor. If the Licensee elects not to participate in such Future Clinical Trial, or does not notify the Licensor of its election to participate in such Future Clinical Trial within such [***], the Licensee shall reasonably cooperate with the Licensor, [***], to assist the Licensor in independently conducting such Future Clinical Trial as a sole sponsor. Such cooperation shall be limited to reasonable and necessary activities in furtherance thereof, including but not limited to signing the necessary documentation (such as authorization letters) as required by the Regulatory Authorities and the Trial Sites and assisting in communications with the Regulatory Authorities and the Trial Sites, to the extent applicable. If the Licensee elects to participate in such Future Clinical Trial, the Licensee shall enter into a good faith discussion with the Licensor and reaches an agreement with the Licensor on the relevant arrangements and details before initiating such Future Clinical Trial.

2.3 Amendment to Article 6 of the Agreement

- (a) The following paragraph shall be added after the table in Section 6.2(a) of the Agreement:

“For the avoidance of doubt, with respect to the [***] Development Milestone Event [***] shall be deemed to satisfy the requirements for achieving such Development Milestone Event. The Parties acknowledge and agree that [***] shall trigger the payment of applicable milestone payment corresponding to the [***] Development Milestone Event.”

- (b) The first Regulatory Milestone Event on the table of Section 6.2(b) (as shown immediately below)

[***]

[***]

shall be deleted and replaced with following:

[***]

[***]

[***]

[***]

2.4 Amendment to Article 9 of the Agreement

- (a) The following paragraph shall be inserted into Section 9.2 of the Agreement:

“(g) The Licensee shall obtain all approvals (including HGRAC Approvals), consents, permits and licenses and complete all necessary security assessments or data protection impact assessments to allow its access to all Know-How pursuant to this Agreement, and the Licensor shall, upon the reasonable request of the Licensee, use Commercially

Reasonable Efforts to provide necessary assistance to the Licensee relating to applying for such approvals, permits and licenses. For clarity, the “**HGRAC Approval**” means any and all necessary record filings with, notification to, and approvals, licenses or permits issued by, the National Health Commission of China or any other Governmental Authority in China required for any activities involving the collection, retention, use and outbound transfer of biological materials from human subjects enrolled in Clinical Trials in China and data sharing (including Clinical Trial data) under this Agreement.”

2.5 Amendment to Article 14 of the Agreement

- (a) The address for notices in Section 14.7 for Licensee shall be amended as follows:

“If to Licensee, notices must be addressed to:

[***]

With a copy to:

[***]

SECTION 3 MISCELLANEOUS

3.1 Effect of Amendment

This Amendment does not supersede, eliminate or change any part of the Agreement except as specifically stated herein. All other rights and obligations of the Agreement shall remain intact. Except as set forth in this Amendment, the Agreement shall continue in full force and effect. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them under the Agreement.

3.2 Entire Agreement

This Amendment, together with the Agreement, constitutes the entire agreement between the Parties and supersedes any prior oral or written communications. There are no understandings, agreements, representations or warranties, express or implied, with respect to the subject matter hereof except as expressly set forth in this Amendment and the Agreement. No waiver, consent, modification or change of the terms of this Amendment shall bind either Party unless in writing and signed by both Parties by their duly authorized representatives.

3.3 Counterparts

This Amendment may be executed in any number of counterparts, each of which will be deemed an original, but all of which together will constitute a single agreement. This Agreement may be executed by exchange between the Parties of electronically transmitted signatures (via facsimile, PDF format via e-mail or other electronic means) and such signatures shall be treated as legal, valid, and enforceable, and deemed to bind each Party as if they were original signatures.

3.4 Effectiveness

This Amendment shall, after being duly executed by the Parties, come into effect and be binding upon the Parties since the Amendment Effective Date.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Parties have caused this Amendment to be executed and delivered as of the Amendment Effective Date.

GENOR BIOPHARMA CO LTD.

By: /s/ Feng Guo

Name: Feng Guo

Title: CEO

[CANDID THERAPEUTICS, INC.]

By: /s/ Ken Song

Name: Ken Song

Title: CEO

CERTAIN INFORMATION CONTAINED IN THIS EXHIBIT, MARKED BY [***], HAS BEEN EXCLUDED FROM THIS EXHIBIT BECAUSE THE REGISTRANT HAS DETERMINED THAT IT IS BOTH NOT MATERIAL AND IS THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL.

LICENSE AND COLLABORATION AGREEMENT

This LICENSE AND COLLABORATION AGREEMENT (the “**Agreement**”) is entered into on August 5, 2024 (the “**Effective Date**”) between:

SHANGHAI EPIMAB BIOTHERAPEUTICS CO., LTD., a limited liability company duly incorporated under the laws of the People’s Republic of China, registered at Floor 6, Building 3, Zhongke Road 702, Pudong New District, Shanghai, China with a place of business at 6th floor, Building 2, 4560 Jinke Road, Pudong New District, Shanghai, 201210, China (“**EpimAb**”), and

FL2024-005, INC., a corporation organized under the laws of Delaware, having its principal place of business at 601 California St., Suite 600, San Francisco, CA 94108 (“**NEWCO**”).

EpimAb and NEWCO are sometimes referred to herein individually as a “**Party**” and collectively as the “**Parties**.”

Recitals

WHEREAS, NEWCO and additional Persons are entering into the Series A Purchase Agreement (as defined below) concurrent with this Agreement;

WHEREAS, EpimAb, a biotechnology company, has developed a proprietary technology platform known as FIT-Ig® for the development of bi-specific antibodies as well as certain proprietary CD3 Binding Domains, and has used FIT-Ig® together with the CD3 Binding Domains to develop a proprietary bi-specific antibody targeting BCMA and CD3 named “**EMB-06**”;

WHEREAS, EpimAb Biotherapeutics Inc., an Affiliate of EpimAb, and Foresite Capital Fund VI, L.P., an affiliate of NEWCO, have entered into certain Term Sheet effective as of [***] regarding the subject matter hereof (the “**Term Sheet**”); and

WHEREAS, NEWCO wishes to obtain from EpimAb, and EpimAb is willing to grant to NEWCO, an exclusive license to research, Develop, Manufacture and Commercialize EMB-06 in the NEWCO Territory, all as defined and on the terms and conditions set forth herein.

Agreement

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants contained herein, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

ARTICLE 1 DEFINITIONS

Unless the context otherwise requires, the terms in this Agreement with initial letters capitalized shall have the meanings set forth below:

1.1 “Accounting Standards” means U.S. Generally Accepted Accounting Principles (GAAP) or the International Financial Reporting Standards (IFRS).

1.2 “Active Ingredient” means any clinically active material that provides pharmacological activity in a pharmaceutical (including any biologic) product (excluding formulation components such as coatings, stabilizers, excipients or solvents, adjuvants or controlled release technologies).

1.3 “Affiliate” means, with respect to a Party, any Person that directly or indirectly controls, is controlled by or is under common control with such Party, in each case, only for so long as such control exists. As used in this definition, “control” (and, with correlative meanings, the terms “controlled by” and “under common control with”) means: (a) in the case of a corporation, the direct or indirect ownership of more than fifty percent (50%) of the outstanding voting securities having the right to vote for the election of directors thereof, or (b) in the case of any other type of entity, the direct or indirect possession of an interest that results in the ability to direct or cause the direction of the management or policies of such Person or the power to appoint more than fifty percent (50%) of the members of the governing body of such Person, in each case whether through ownership of voting securities, by contract, or otherwise. For clarity for purposes of this Agreement, EpimAb and NEWCO shall not be considered Affiliates of each other. Notwithstanding the foregoing, [***] shall be deemed Affiliates of NEWCO except for Persons directly or indirectly controlled by NEWCO.

1.4 “Applicable Laws” means all laws, statutes, ordinances, regulations, rules or orders of any kind whatsoever of any Governmental Authority that may be in effect from time to time and applicable to the activities contemplated by this Agreement.

1.5 [***] means the [***].

1.6 “BCMA Binding Domain” means the CDR sequences specified in a Product Specific Claim Directed To any epitope of BCMA.

1.7 “Biosimilar Product” means with respect to a Product in a particular Country in the NEWCO Territory, any product sold by a Third Party not authorized by NEWCO or its Affiliates or its or their sublicensees that is approved by the applicable Regulatory Authority for such Country through any application or submission filed with a Regulatory Authority for Regulatory Approval of a biological product claimed to be biosimilar or interchangeable to such Product or otherwise relying on the approval of such Product in such Country, including, an application filed under 42 U.S.C. § 262(k) or any similar provisions in a Country outside the U.S., based in reliance, at least in part, on data generated for a Regulatory Approval of such Product.

1.8 “Business Day” means a day other than Saturday, Sunday or any day on which banks located in Shanghai, China, or New York, USA are authorized or obligated to close. Whenever this Agreement refers to a number of days, such number shall refer to calendar days unless Business Days are specified.

1.9 “Calendar Quarter” means the respective periods of three consecutive calendar months ending on March 31, June 30, September 30 and December 31.

1.10 “Calendar Year” means each twelve (12) month period commencing on January 1 and ending on December 31.

1.11 “CD3 Binding Domains” means the CDR sequences specified in a Product Non-Specific Claim or Product Specific Claim Directed To any epitope of CD3.

1.12 “cGMP” means all applicable current Good Manufacturing Practices, including, as applicable, the principles detailed in the U.S. Current Good Manufacturing Practices, 21 C.F.R. Parts 4, 210, 211, 601, 610 and 820, European Directive 2003/94/EC and Eudralex 4, the principles detailed in the International Conference on Harmonization (“ICH”) Q7 guidelines, and the equivalent Applicable Laws in any relevant Country, each as may be amended and applicable from time to time.

1.13 “Change of Control” means, with respect to a Party, (a) the sale of all or substantially all of its assets or all or substantially all of its assets relating to the Products; (b) a merger, reorganization, consolidation or other transaction (or a series of transactions) involving such Party and any Person that is not an Affiliate of such Party as of the Effective Date, which directly or indirectly results in the holders of voting securities of such Party outstanding immediately prior thereto ceasing to beneficially own at least fifty percent (50%) of the combined voting power of the surviving entity immediately after such merger, reorganization, consolidation or other transaction, or (c) any Person that is not an Affiliate of such Party as of the Effective Date becoming the direct or indirect beneficial owner of fifty percent (50%) or more of the combined voting power of the outstanding securities of such Party or otherwise acquiring the power (whether through ownership interest, contractual right or otherwise) to direct or cause the direction of the management or policies of such Party. “Acquirer” means, with respect to a Change of Control: (i) the Person to whom the assets in clause (a) are sold; or (ii) the Person referenced in clause (b) or clause (c), as applicable.

1.14 “Clinical Trial” means any clinical testing of a Product in human subjects.

1.15 “Commercialization,” “Commercialized,” or “Commercialize” means all activities directed to marketing, distribution, detailing or selling of pharmaceutical products (including importing and exporting activities in connection therewith), including all activities directed to obtaining pricing and reimbursement approvals for Products.

1.16 “Commercially Reasonable Efforts” means (a) where applied to carrying out specific tasks and obligations of a Party under this Agreement, expending (on its own or acting through any of its Affiliates, sublicensees or subcontractors) reasonable, diligent, good faith efforts and resources to accomplish such task or obligation as a similarly situated biotechnology company would normally use to accomplish a similar task or obligation under similar circumstances; and (b) where applied to the Development or Commercialization of Products under this Agreement, the use of reasonable, diligent, good faith efforts and resources, as normally used by a similarly situated biotechnology company for a product at a similar stage of development or life cycle and of similar market potential, taking into account all relevant factors including measures of patent coverage, the Third Party Patent landscape, relative safety and efficacy, product profile, life cycle status, development or manufacturing costs, timelines and budgets, availability of supply, likelihood and timing for obtaining Regulatory Approval, approved or anticipated labeling, existing or projected pricing, duration of exclusivity, existing or projected pricing or sales, the competitiveness of the marketplace, the proprietary position of such product, the regulatory structure involved, and other relevant factors. Prior to a [***], “Commercially Reasonable Efforts” shall require that such Party (on its own or acting through any of its Affiliates, sublicensees or subcontractors), [***].

1.17 “Competing Product” means any bi-specific antibody that contains ([**]) a CDR sequence Directed To any epitope of [**] and a CDR sequence Directed To any epitope of [**] and any product that contains such a compound.

1.18 “Compound” means any Primary Compound or Modified Compound, as the context requires.

1.19 “Confidential Information” of a Party means all non-public or proprietary information (including Know-How, unpublished patent applications and other information and data of a financial, commercial, business, scientific or technical nature) of such Party that is disclosed by or on behalf of such Party or any of its Affiliates or otherwise made available to the other Party or any of its Affiliates, whether made available orally, in writing or in electronic or other form. The terms and conditions of this Agreement are the Confidential Information of both Parties.

1.20 “Control” or “Controlled” means, with respect to any Know-How, Patents or other intellectual property rights, that a Party has the legal authority or right (whether by ownership, license or otherwise) to grant to the other Party a license, sublicense, access or other right (as applicable) under such Know-How, Patents, or other intellectual property rights, on the terms and conditions set forth herein, in each case without breaching the terms of any agreement with a Third Party existing: (a) as of the Effective Date; or (b) subsequent to the Effective Date, if (in the case of this clause (b)) such Party first acquired rights to such Know-How, Patents, or other intellectual property rights pursuant to such agreement. A Party shall be deemed to Control any Joint Patent to the extent of its individual or joint interest therein, as applicable.

1.21 “Cover”, “Covering” and “Covered” means, with respect to a Patent and a Compound or Product or Invention, or a particular method of making or using of such Compound, Product, or Invention, that, in the absence of ownership of or a license under such Patent, the making, use, and sale, offering for sale, or importation of such Compound, Product, or Invention, or the practice of such method to make or use such Compound or Product, or the practice of such Invention (as applicable) would infringe a claim of such Patent (or in the case of a claim that has not yet issued, would infringe such claim if it were to issue).

1.22 “Country” means a country within the Territory. For the purpose of this Agreement, in the EpimAb Territory each region, namely, Mainland China, Taiwan, Hong Kong and Macau, shall be deemed a Country.

1.23 “Development,” “Developing,” or “Develop” means all activities to obtain and maintain Regulatory Approval for Products, including all pre-clinical studies and Clinical Trials of a Product, manufacture process development, distribution of Products for use in Clinical Trials (including placebos and comparators), statistical analyses, the preparation of Regulatory Materials and all regulatory affairs related to any of the foregoing.

1.24 “Directed To” means, with regard to a compound or product and a target, that such compound or product (a) binds directly to an epitope of such target, and (b) exerts its primary diagnostic, prophylactic or therapeutic activity as a result of such direct binding.

1.25 “Dollars” or “\$” means U.S. dollars, the lawful currency of the U.S.

1.26 “EpimAb Territory” means Greater China, including Hong Kong, Macau and Taiwan.

1.27 “Elected Upstream License Agreement” means an agreement: (a) pursuant to which EpimAb or any of its Affiliates in-licenses or acquires Patents or Know-How from a Third Party after the Effective Date; and (b) that NEWCO agrees in writing to: (i) comply with the applicable terms and conditions of; and (ii) pay EpimAb’s or its applicable Affiliate’s payment obligations to such Third Party, in each case of (i) and (ii), to the extent associated with the grant, maintenance or exercise of a sublicense to NEWCO under such Know-How or Patents (as applicable) such that such Patents or Know-How (as applicable) become Licensed Technology.

1.28 “Field” means the diagnosis, treatment or prevention of all human and non-human diseases.

1.29 “First Commercial Sale” means, with respect to any Product in any Country, the first sale of such Product to a Third Party for distribution, use or consumption in such Country after the Regulatory Approvals have been obtained for such Product in such Country.

1.30 “FIT-Ig Technology” means EpimAb’s proprietary technology platform for the development of bi-specific antibodies, [***], including associated Patents and Know-How.

1.31 “FIT-Ig Technology Improvements” means NEWCO Product Technology that is: (a) Covered by a Product Non-Specific Patent and is not Covered by a Product Specific Patent (or any Product Specific Claim); (b) [***] applicable to the FIT-Ig Technology (and is not applicable to other bi-specific binding technology); and (c) invented by [***] after the Effective Date.

1.32 “GCP” means all applicable Good Clinical Practice standards for the design, conduct, performance, monitoring, auditing, recording, analyses and reporting of Clinical Trials,

including, as applicable (a) as set forth in the ICH Technical Requirements for Registration of Pharmaceuticals for Human Use Harmonized Tripartite Guideline for Good Clinical Practice (CPMP/ICH/135/95) and any other guidelines for good clinical practice for trials on medicinal products in the Territory, (b) the Declaration of Helsinki (2013) as last amended at the 64th World Medical Association in October 2013 and any further amendments or clarifications thereto, (c) 21 C.F.R. Parts 50 (Protection of Human Subjects), 56 (Institutional Review Boards) and 312 (Investigational New Drug Application), as may be amended from time to time, and (d) the equivalent Applicable Laws in any other Country, each as may be amended and applicable from time to time and in each case, that provide for, among other things, assurance that the clinical data and reported results are credible and accurate and protect the rights, integrity, and confidentiality of trial subjects.

1.33 “**GLP**” means all applicable Good Laboratory Practice standards, including, as applicable, as set forth in the then current good laboratory practice standards promulgated or endorsed by the U.S. Food and Drug Administration as defined in 21 C.F.R. Part 58, or the equivalent Applicable Laws in any other Country, each as may be amended and applicable from time to time.

1.34 “**Global Study**” means a Clinical Trial designed to obtain Regulatory Approvals for a Product in multiple jurisdictions in both the EpimAb Territory and the NEWCO Territory through the conduct of such Clinical Trial in multiple jurisdictions in both the EpimAb Territory and the NEWCO Territory in accordance with a common protocol.

1.35 “**Governmental Authority**” means any agency, court, commission, authority, department, ministry, official or other instrumentality of, or being vested with public authority under any law of, any country, region, state or local authority or any political subdivision thereof, or any association of countries.

1.36 [***].

1.37 “**IND**” means any investigational new drug application, clinical trial application, clinical trial exemption or similar or equivalent application or submission to the applicable Regulatory Authority for approval to conduct clinical testing of a pharmaceutical product in humans.

1.38 “**Indication**” means a separate and distinct disease or condition in humans for which a Product obtains Regulatory Approval or for which Regulatory Approval is sought. For clarity: [***].

1.39 “Initiate” or “Initiation” means, with respect to a Clinical Trial, the dosing (either with a Product or placebo) of the first human subject or patient enrolled in such Clinical Trial.

1.40 “Invention” means any invention, data, results, discovery, finding, process, improvement, method, composition of matter, article of manufacture, patentable or otherwise, that is invented, first reduced to practice, or otherwise generated by either Party exercising its rights or carrying out its obligations under this Agreement, whether directly or via its Affiliates, agents, contractors or sublicensees, including all rights, title and interest in and to the intellectual property rights therein.

1.41 “Joint Patents” means all Patents jointly owned by the Parties.

1.42 “Joint Product Non-Specific Patents” means all Joint Patents that contain any Product Non-Specific Claim and do not contain any Product Specific Claim.

1.43 “Joint Product Specific Patents” means all Joint Patents that contain any Product Specific Claim and do not contain any Product Non-Specific Claim.

1.44 “Know-How” means any proprietary scientific or technical information, results and data of any type whatsoever, in any tangible or intangible form whatsoever, including databases, safety information, practices, methods, techniques, specifications, formulations, formulae, knowledge, know-how, skill, experience, test data including pharmacological, medicinal chemistry, biological, chemical, biochemical, toxicological and clinical test data, analytical and quality control data, stability data, studies and procedures, and manufacturing process and development information, results and data, but excluding any Patent.

1.45 “Licensed Know-How” means all Know-How that is (a) Controlled by EpimAb or any of its Affiliates as of the Effective Date or at any time during the Term and (b) [***] for the Development, Manufacture or Commercialization of a Compound or a Product in the Field; provided however that Licensed Know-How shall exclude: (i) any Know-How that: (A) is Controlled by a Third Party that becomes an Affiliate of EpimAb after the Effective Date as a result of a Change of Control of EpimAb (each an “**Acquirer Affiliate**”); (B) is not Controlled by EpimAb and its Affiliates that are not Acquirer Affiliates; and (C) is not used in the Development, Manufacture or Commercialization of a Compound or a Product; and (ii) any Know-How that EpimAb or any of its Affiliates in-licenses or acquires from a Third Party after the Effective Date for which: (A) EpimAb promptly notifies NEWCO of such in-license or acquisition and provides the applicable terms and conditions of the corresponding agreement that NEWCO would be subject to (i.e., EpimAb may reasonably redact certain information in such license agreement to the extent not necessary to determine NEWCO’s compliance with its obligations under the agreement) under which EpimAb or its Affiliate obtains such Control; and (B) NEWCO does not agree in writing to both comply with the applicable terms and conditions of the agreement under which EpimAb or its Affiliate obtains Control of such Know-How and pay all amounts that EpimAb or its Affiliate would be obligated to pay in connection with the grant, maintenance or exercise of a sublicense to NEWCO under such Know-How. For clarity, any Know-How that initially meets the qualifications to be excluded from Licensed Know-How pursuant to clause (i) or (ii) shall become Licensed Know-How if it ceases to meet such qualifications. Notwithstanding the foregoing, Licensed Know-How excludes: (1) [***] [***]; and (2) Know-How that solely relates to an Active Ingredient that is not a Compound and is included in a Product.

1.46 “Licensed Patents” means all Patents that (a) are Controlled by EpimAb or any of its Affiliates as of the Effective Date or at any time during the Term and (b) Cover the Primary Compound or any Product or use thereof (including composition of matter, methods of making and using) in the Field; provided however that Licensed Patents shall exclude: (i) any Patent that: (A) is Controlled by an Acquirer Affiliate; (B) is not Controlled by EpimAb and its Affiliates that are not Acquirer Affiliates; and (C) does not Cover an Invention used in or directly resulting from, the Development, Manufacture or Commercialization of a Compound or Product; and (ii) any Patent that EpimAb or any of its Affiliates in-licenses or acquires from a Third Party after the Effective Date for which: (A) EpimAb promptly notifies NEWCO of such in-license or acquisition and provides the applicable terms and conditions of the corresponding agreement that NEWCO would be subject to (i.e., EpimAb may reasonably redact certain information in such license agreement to the extent not necessary to determine NEWCO’s compliance with its obligations under the agreement) under which EpimAb or its Affiliate obtains such Control; and (B) NEWCO does not agree in writing to both comply with the applicable terms and conditions of the agreement under which EpimAb or its Affiliate obtains Control of such Patent and pay all amounts that EpimAb or its Affiliate would be obligated to pay in connection with the grant, maintenance or exercise of a sublicense to NEWCO under such Patent. Certain Licensed Patents existing as of the Effective Date are set forth in **Schedule 1.46**. For clarity, any Patent that initially meets the qualifications to be excluded from Licensed Patents pursuant to clause (i) or (ii) shall become a Licensed Patent if it ceases to meet such qualifications. Notwithstanding the foregoing, Licensed Patents exclude: (1) Patents that Cover the composition of [***]; and (2) Patents that both: [***].

1.47 “Licensed Technology” means Licensed Know-How and Licensed Patents (including EpimAb’s rights and interests in Joint Inventions and Joint Patents).

1.48 “MAA” or “Marketing Authorization Application” means an application to the appropriate Regulatory Authority for approval to sell a pharmaceutical product in a particular jurisdiction and all amendments and supplements thereto, including New Drug Application (NDA) and Biologic License Application (BLA), but excluding applications for pricing and reimbursement approval.

1.49 “Manufacture,” “Manufactured,” and “Manufacturing” mean activities directed to manufacturing, processing, filling, finishing, packaging, labeling, quality control, quality assurance testing and release, post-marketing validation testing, inventory control and management, storing and transporting Compounds or Products.

1.50 “Manufacturing Cost” means, with respect to a Compound or any component thereof, (a) (i) if NEWCO or its Affiliate or sublicensees Manufactures the Compound or component, [***], or (ii) if another Third Party Manufactures the Compound or component, [***], plus (b) [***].

For the avoidance of doubt, (A) [***] shall be deemed Manufacturing Costs, and (B) [***] shall be included as Manufacturing Costs.

1.51 “Modified Compound” means any bi-specific antibody that is not the Primary Compound and that contains ([***]): (a) the [***] in the Primary Compound; and (b) the [***] in the Primary Compound.

1.52 “Net Sales” means the gross price billed or invoiced on sales of Products by NEWCO, its Affiliates, or sublicensees for the sale of Products to a Third Party in the NEWCO Territory, less the following deductions, to the extent [***] allocable to the sale of such Product:

[***]

***].

1.53 “NEWCO Product Technology” means all Inventions that are invented by or on behalf of NEWCO (or its Affiliates or sublicensees) in the Development or Manufacture of any Compound or Product.

1.54 “NEWCO Territory” means worldwide except for the EpimAb Territory.

1.55 “NEWCO Territory JSC Matter” means the approval of the initial NEWCO Development Plan or any material amendment thereto prior to a [***].

1.56 “Non-Oncology Development” means the clinical Development of Products in all Indications that are not oncology Indications.

1.57 “Oncology Clinical Trial” means the ongoing multi-center Phase 1/2 Clinical Trial of a Product being conducted by EpimAb as of the Effective Date for (and only for) oncology Indications.

1.58 “Oncology Development” means the clinical Development of the Products performed in the EpimAb Territory solely for oncology Indications, including but not limited to multiple myeloma.

1.59 “Oncology Third Party” means the Third Party that, collectively with its Affiliates, has a market capitalization of at least [***] as of [***] and [***] to obtain rights and licenses from EpimAb to exclusively Develop and Commercialize the Products in (and only in) oncology Indications only in the EpimAb Territory. For the avoidance of doubt, [***], the Oncology Third Party shall be deemed to be a licensee of EpimAb for the purposes of this Agreement.

1.60 “Patents” means all national, regional and international patents and patent applications, including divisions, continuations, continuations-in-part, additions, re-issues, renewals, extensions, substitutions, re-examinations or restorations, registrations and revalidations, and supplementary protection certificates and equivalents to any of the foregoing.

1.61 “Person” means any individual, partnership, limited liability company, firm, corporation, association, trust, unincorporated organization or other entity.

1.62 “Phase 1 Clinical Trial” or “Phase 1b Clinical Trial” means a Clinical Trial of a Product in healthy volunteers or patients to estimate the initial safety and tolerability of such Product and to determine the metabolism and the pharmacokinetic and pharmacodynamic actions of such Product, the side effects associated with increasing doses, and, if possible, to gain early evidence on effectiveness and on such Product’s activity, or any human clinical trial of such Product that would otherwise satisfy the requirements of 21 CFR 312.21(a) or corresponding foreign regulations.

1.63 “Phase 1/2 Clinical Trial” means a Clinical Trial that combines both a Phase 1 Clinical Trial and a Phase 2 Clinical Trial into a single protocol, where the Phase 1 Clinical Trial portion is performed first to: (a) establish initial safety, tolerability, pharmacokinetic and pharmacodynamic information for a pharmaceutical or biological product as a monotherapy or in combination with another agent and (b) determine the maximum tolerable dose of such product, and the Phase 2 Clinical Trial portion is performed second to evaluate the safety and efficacy of such product as a monotherapy or in combination with another agent in subjects with a target disease or medical condition treated with a selected dose. For clarity, “Phase 1/2 Clinical Trial” shall include any Clinical Trial that includes any combination of the portions of a Phase 1 Clinical Trial and a Phase 2 Clinical Trial, including a Phase 1b/2a Clinical Trial, a Phase 1b/2 Clinical Trial, or a Phase 1/2a Clinical Trial.

1.64 “Phase 2 Clinical Trial” means a controlled Clinical Trial conducted to evaluate the effectiveness and to explore the therapeutic efficacy of a Product for a particular Indication or Indications in patients with the disease or condition under study and to determine the common short-term side effects and risks associated with such Product and to determine the dose and regimen for Phase 3 Clinical Trials, or any human Clinical Trial of such Product that would otherwise satisfy the requirements of 21 CFR 312.21(b) or corresponding foreign regulations.

1.65 “Phase 3 Clinical Trial” means a controlled Clinical Trial that is performed after preliminary evidence suggesting effectiveness of a Product has been obtained, and is intended to demonstrate or confirm the therapeutic benefit of such Product and to gather the additional

information about effectiveness and safety that is needed to evaluate the overall benefit-risk relationship of such Product and to provide an adequate basis for marketing approval and for such Product's labeling and summary of Product characteristics, or any human Clinical Trial of such Product that would otherwise satisfy the requirements of 21 CFR 312.21(c) or corresponding foreign regulations.

1.66 "Pivotal Clinical Trial" means any Clinical Trial that is designed and intended, as of the time the Clinical Trial is initiated, to obtain sufficient results and data to enable the preparation and filing of an MAA. If a Clinical Trial is not initially designed or intended to be a Pivotal Clinical Trial but is later re-designed or converted into, or is re-presented or identified as, a Clinical Trial that could be or that is used as an adequate and well-controlled Clinical Trials to support MAA filing, then such Clinical Trial shall be deemed to be a Pivotal Clinical Trial as of the date of such re-design/conversion/re-presentation/identification, and if the first patient in such Clinical Trial was dosed before the date of such re-design/conversion/re-presentation/identification, then the milestone for the Initiation of the Pivotal Clinical Trial shall be deemed achieved upon such re-design/conversion/re-presentation/identification. For clarity, all Phase 3 Clinical Trials are Pivotal Clinical Trials.

1.67 "[*]"** means: (a) NEWCO, or any of its Affiliates or sublicensees, [***]; or (b) NEWCO (or an Acquirer or Affiliate of NEWCO) [***] prior to [***].

1.68 "Primary Compound" means EMB-06, as described in [***] and having the structure set forth in **Schedule 1.68**, which antibody is developed using the FIT-Ig Technology and is Directed To both BCMA and CD3.

1.69 "Product" means any pharmaceutical product that contains a Compound as an Active Ingredient, alone or in combination with other Active Ingredients, in any formulation, dosage form or presentation and for any mode of administration.

1.70 "Product Non-Specific Claim" means a claim included in a Licensed Patent (including a Joint Patent) that (a) Covers the Manufacturing, Developing or Commercialization of a Compound or any Product, including claims Covering the FIT-Ig Technology or the CD3 Binding Domains of the Primary Compound, and (b) is not a Product Specific Claim.

1.71 "Product Non-Specific Patent" means any Licensed Patent that: contains at least one Product Non-Specific Claim. Product Non-Specific Patents are listed in **Schedule 1.71**, as the same may be amended in accordance with Section 9.2.

1.72 "Product Specific Claim" means a claim included in a Licensed Patent (including a Joint Patent) that (a) specifically Covers any BCMA/CD3 bi-specific antibody as a whole molecule or use of such molecule, or (b) Covers any CDR sequence contained in any domain Directed To BCMA.

1.73 "Product Specific Patent" means any Licensed Patent that (a) contains at least one Product Specific Claim and (b) does not contain any Product Non-Specific Claim. Product Specific Patents are listed in **Schedule 1.73**, as the same may be amended in accordance with Section 9.2.

1.74 “Qualified Series A Financing” means a Series A Preferred Stock financing of NEWCO with a post-money valuation of at least [***] and with at least [***] in gross proceeds to NEWCO.

1.75 “Regulatory Approval” means, with respect to a Product in a Country or jurisdiction, all approvals from the Regulatory Authorities necessary to market and sell such Product in such Country or jurisdiction (including where applicable, all pricing and reimbursement approvals).

1.76 “Regulatory Authority” means any applicable Government Authority responsible for granting Regulatory Approvals for a Product.

1.77 “Regulatory Exclusivity” means any exclusive marketing rights, data exclusivity rights, or other exclusivity rights or market protections (other than Patents) conferred by any Regulatory Authority with respect to a biologic or pharmaceutical product that prevent: (a) such Regulatory Authority from reviewing or granting approval of a Marketing Authorization Application; or (b) a Third Party from referencing any data in an approved Marketing Authorization Application, including without limitation orphan drug exclusivity, new chemical entity exclusivity, data exclusivity, pediatric exclusivity, or other such exclusivity conferred in the U.S. under the Federal Food, Drug and Cosmetic Act (21 U.S.C. § 301 et seq.), as amended, and § 351 of the Public Health Service Act (42 U.S.C. § 262); in the EU under Directive 2001/83/EC (Article 10), Regulation (EC) No 726/2004 (Articles 14 and 14a), Regulation (EC) No. 1901/2006 (Article 37), Regulation (EC) No 141/2000 (Article 8) and Council Regulation (EC) 469/2009, all as amended; or rights similar thereto in other Countries.

1.78 “Regulatory Material” means any regulatory application, submission, notification, communication, correspondence, registration and other filings made to, received from or otherwise conducted with a Regulatory Authority in order to Develop, Manufacture, market, sell or otherwise Commercialize any Product in a particular Country or jurisdiction. For clarity, Regulatory Materials include IND, MAAs and Regulatory Approvals.

1.79 “Territory” means, with respect to EpimAb, the EpimAb Territory and with respect to NEWCO, the NEWCO Territory.

1.80 “Third Party” means any Person other than EpimAb, NEWCO or Affiliates of either of them.

1.81 “Upstream License Agreements” means, any and all agreements between EpimAb or any of its Affiliates, on the one hand, and any Third Party, on the other hand, pursuant to which EpimAb or its Affiliates has obtained a license under, or other right to make, use, sell, offer to sell, import, or otherwise practice any Patent or Know-How that are included as part of the Licensed Technology. As of the Effective Date, the only Upstream License Agreement(s) are set forth in **Schedule 1.81**.

1.82 “U.S.” means United States of America, including all possession and territories thereof.

1.83 “Valid Claim” means (a) a claim of an issued and unexpired Patent (as may be extended through supplementary protection certificate or patent term extension or the like) that has not been revoked, held invalid or unenforceable by a patent office, court or other Governmental Authority of competent jurisdiction in a final and non-appealable judgment (or judgment from which no appeal was taken within the allowable time period) and which claim has not been disclaimed, denied or admitted to be invalid or unenforceable through reissue, re-examination or disclaimer or otherwise, or (b) a claim in a pending patent application which was filed and is being prosecuted in good faith, and has not been abandoned or finally disallowed without the possibility of appeal or re-filing of the application. Notwithstanding the foregoing, if a claim of a pending patent application has not issued as a claim of a Patent within [***] after the date to which such claim claims priority, such claim shall not be a Valid Claim for the purposes of this Agreement unless and until such claim issues as a claim of an issued Patent (from and after which time the same shall be deemed a Valid Claim subject to clause (a) above).

1.84 Additional Definitions. The following table identifies the location of definitions set forth in various Sections of the Agreement:

<u>Defined Terms</u>	<u>Section</u>
“Acquirer”	1.13
“Acquirer Affiliate”	1.45
“Agreement”	Preamble
“Alliance Manager”	3.1
“Allocated Inventory”	6.4
“Allocation Notice”	1.52
“[***]”	1.5
“[***]”	2.5(b)
“Combination Product”	1.52
“Commercialization Plan”	7.3
“Competing Program”	2.11(a)
“Cut-off Date”	9.2(b)
“Development Plan”	4.3(b)
“Diligence Report”	4.7
“Effective Date”	Preamble
“EMB-06”	Recitals
“EpimAb”	Preamble
“EpimAb Development Plan”	4.3(a)
“EpimAb Indemnatee(s)”	12.1
“EpimAb Parent”	8.1
“EpimAb Shareholders”	8.1
“[***]”	6.5

<u>Defined Terms</u>	<u>Section</u>
“Existing Publications”	10.4
“Ex-NEWCO Territory Manufactured Products”	2.1(b)
“FCPA”	15.6(a)
“FCPA Covered Person”	15.6(a)
“[***]”	8.3(a)
“Immediate Decision Request”	3.2(g)
“Indemnified Party”	12.3
“Indemnifying Party”	12.3
“Joint Inventions”	9.1(b)
“Joint Steering Committee”/“JSC”	3.2(a)
“Losses”	12.1
“Milestone Event”	8.3(a)
“Mono Product”	1.52
“NEWCO”	Preamble
“NEWCO Development Plan”	4.3(b)
“NEWCO Indemnitee(s)”	12.2
“NEWCO Trademarks”	9.9
“Parties”	Preamble
“Pharmacovigilance Agreement”	5.7
“Pricing and Access Strategy”	7.3
“Prior CDA”	10.6
“Product Infringement”	9.4(a)
“Prosecute”	9.3(a)
“Publications”	10.4
“Remedial Action”	5.10
“Required In-License Provision”	2.5(a)
“Research Collaboration Agreement”	2.12
“Royalty Term”	8.5(b)
“Series A Purchase Agreement”	8.1
“Surviving Sublicensee”	13.3(a)
“Term”	13.1
“Term Sheet”	Recitals
“Third Party License”	8.5(c)(i)
“Third Party Partner”	3.3
“To-Be-Separated Patents”	9.2(a)
“[***]”	4.1(a)

ARTICLE 2 LICENSES

2.1 License to NEWCO.

(a) Subject to the terms and conditions of this Agreement, EpimAb hereby grants, on behalf of itself and its Affiliates, to NEWCO a royalty-bearing license, with the right to grant sublicenses solely in accordance with Section 2.2, under the Licensed Technology, to research, Develop, Manufacture, use, sell, offer for sale, import and otherwise Commercialize any and all Compounds and Products in the Field in the NEWCO Territory. The foregoing license is:

(i) non-exclusive with respect to all Product Non-Specific Claims within the Product Non-Specific Patents, and all Licensed Know-How related thereto;

(ii) non-exclusive with respect to the Patents and Know-How in-licensed from [***] under the [***]; and

(iii) exclusive (even as to EpimAb but subject to EpimAb's retained rights as set forth in Section 2.3) with respect to all Product Specific Patents, all Product Specific Claims within any other Licensed Patents, and all Licensed Know-How related to any of the foregoing.

(b) Subject to the terms and conditions of this Agreement, EpimAb hereby grants, on behalf of itself and its Affiliates, to NEWCO a royalty-free, non-exclusive license, with the right to grant sublicenses solely in accordance with Section 2.2, under the Licensed Technology, to (i) research and Develop Products in the Field in the EpimAb Territory for the purposes of obtaining Regulatory Approvals of Products in the NEWCO Territory (including to import and use Products for such activities), or (ii) Manufacture the Compounds or Products in the EpimAb Territory solely to (A) research, Develop, use, sell, offer for sale, import and otherwise Commercialize Compounds and Products in the Field in the NEWCO Territory, or (B) carry out the activities in clause (i) of this Section 2.1(b) ("Ex-NEWCO Territory Manufactured Products").

2.2 Right to Sublicense.

(a) Subject to the terms and conditions of this Agreement and the remainder of this Section, NEWCO shall have the right to grant sublicenses (through multiple tiers) of the licenses granted to it under Section 2.1: (i) to its Affiliates, provided that such sublicense shall automatically terminate if such sublicensee ceases to be an Affiliate of NEWCO; and (ii) to Third Parties. Notwithstanding the foregoing, NEWCO acknowledges that Section 3.2 of the [***] prohibits EpimAb's sublicensees from granting further sublicenses and, therefore, NEWCO acknowledges and agrees that NEWCO currently does not have the right to grant sublicenses under any Licensed Technology that is in-licensed by EpimAb under the [***]. Further, NEWCO shall not have the right to grant sublicenses under the FIT-Ig Technology to compounds or products that are not a Compound or Product.

(b) Each sublicense under the Licensed Technology shall be subject to a written agreement that is consistent with the terms and conditions of this Agreement. Without limiting the foregoing, each sublicense shall: [***].

(c) NEWCO shall provide a true and complete copy of each sublicense agreement to EpimAb within [***] after the grant of a sublicense; provided, however, that NEWCO may reasonably redact certain information in such sublicense agreement to the extent not reasonably necessary to determine NEWCO's compliance with its obligations under this Agreement with respect to sublicensees. NEWCO shall remain directly responsible for all of its obligations under this Agreement that have been delegated or sublicensed to any sublicensee. Any sublicensee conduct, act or omission that would have constituted a breach of this Agreement shall be imputed to NEWCO and deemed a breach of this Agreement as if such conduct, act or omission had been directly attributable to NEWCO. NEWCO shall not grant a sublicense to any sublicensee that does not represent to NEWCO in writing that it has not been debarred or disqualified by a Regulatory Authority pursuant Section 306 of the United States Federal Food, Drug, and Cosmetic Act and has not been excluded or is subject to exclusion from participation in Government Health Care Programs under 42 U.S.C. § 1320a-7 (or similar regulations under Applicable Law).

2.3 EpimAb Retained Rights. Notwithstanding the exclusive license granted to NEWCO under Section 2.1(a), and subject to the terms and conditions of Article 3, EpimAb hereby expressly retains the right to use the Licensed Technology to (a) perform its obligations under this Agreement, and (b) [***], in each case of (a) and (b), whether directly or through its Affiliates, licensees, sublicensees or contractors. For clarity, but without limiting any contractual restrictions in this Agreement, EpimAb retains the exclusive right, under the Licensed Technology, to practice, license and otherwise exploit the Licensed Technology outside the scope of the license granted to NEWCO under Section 2.1, including the exclusive right (directly or through its Affiliates, licensees, sublicensees or contractors) to Commercialize the Compounds and Products outside the NEWCO Territory.

2.4 EpimAb's rights in the EpimAb Territory.

(a) EpimAb may grant the [***] to (and only to) the Oncology Third Party prior to [***]. Upon receiving such [***], the Oncology Third Party shall have the right to Develop the Product (including conducting Clinical Trials) in the EpimAb Territory, except as restricted by this Agreement (including, without limitation, Section 4.1(c)(iv)). [***]: (i) [***]; or (ii) [***] except for the granting of the [***] to the Oncology Third Party and the provision of assistance to such Oncology Third Party in connection therewith.

(b) [***]: (i) [***]; or (ii) [***], in each case of (i) and (ii), [***].

(c) EpimAb shall not grant the [***] or otherwise license the Licensed Technology in the EpimAb Territory except pursuant to a written agreement where the applicable licensee agrees to be bound by the obligations of the following provisions of this Agreement to the extent of such licensee's activities in the same manner in which EpimAb is obligated: [***]. EpimAb shall provide a true and complete copy of each license agreement granted under any of the Licensed Technology within [***] after the grant thereof; provided, however, that EpimAb may reasonably redact certain information in such license agreement to the extent not necessary to determine EpimAb's compliance with its obligations under this Agreement with respect to such licensees. Any EpimAb licensee's conduct, act or omission that would have constituted a breach of this Agreement shall be imputed to EpimAb and deemed a breach of this Agreement as if such conduct, act or omission had been directly attributable to EpimAb.

2.5 [***].

(a) NEWCO acknowledges that (a) EpimAb obtained the right to certain Licensed Technology pursuant to the [***]; (b) the licenses granted to NEWCO under Section 2.1 under such Licensed Technology constitutes sublicenses under the [***]; and (c) all licenses and other rights granted by EpimAb to NEWCO under this Agreement with respect to Know-How and Patents licensed to EpimAb under the [***] are subject to the rights and obligations of EpimAb under the [***]. NEWCO shall, and shall cause its sublicensees to comply with the following terms and conditions of the [***] (each a "**Required In-License Provision**"). Without limiting the foregoing, NEWCO shall provide EpimAb, in a timely manner, all information with respect to NEWCO's or its sublicensees' activities necessary for EpimAb to comply with the following provisions of the [***].

(b) Notwithstanding anything to the contrary, NEWCO may, at any time, notify EpimAb that NEWCO desires to terminate its sublicense to the [***] and, immediately upon [***] Termination Notice, Section 2.5(a) and, to the extent it relates to the [***], Section 2.6 shall cease to apply, the [***] shall cease to be an [***], the definition of Licensed Patents shall exclude the Patents licensed to EpimAb under the [***], and the definition of Licensed Know-How shall exclude the Know-How licensed to EpimAb under the [***].

2.6 Covenants Regarding Upstream License Agreements. EpimAb agrees that, during the term of the applicable Upstream License Agreement:

(a) Without NEWCO's prior written consent (not to be unreasonably withheld, conditioned, or delayed), EpimAb shall not [***] any of the Upstream License Agreement(s) in any way that would [***];

(b) EpimAb shall not terminate any Upstream License Agreement until expiration of such Upstream License Agreement in accordance with its terms, in whole or in part, [***], and except where the Upstream License Agreement is terminated by the counterparty as a result of NEWCO's breach of a Required In-License Provision or NEWCO's failure to provide the information as required under Section 2.5(a), or NEWCO's breach of terms applicable to NEWCO under the applicable Upstream License Agreement or failure to provide EpimAb with the information as required by EpimAb to comply with the applicable Upstream License Agreement, EpimAb shall endeavor reasonably to ensure that each Upstream License Agreement remains in full force and effect with respect to the applicable Licensed Technology licensed to EpimAb thereunder and sublicensed to NEWCO hereunder;

(c) As between NEWCO and EpimAb, all payments owed to the Third Party licensor(s) pursuant to the Upstream License Agreement(s) (other than the [***]) existing as of the Effective Date shall be the responsibility of and paid by [***];

(d) EpimAb shall keep NEWCO reasonably informed of any notices or events under the Upstream License Agreements that could adversely affect NEWCO's obligations or rights under this Agreement (including any notices related to EpimAb's breach of an Upstream License Agreement); and

(e) NEWCO, in its sole discretion, shall be permitted to [***] (provided, however, that to the extent that [***]).

2.7 License to EpimAb. Subject to the terms and conditions of this Agreement, NEWCO hereby grants to EpimAb:

(a) a non-exclusive, fully paid up, royalty-free, perpetual license, with the right to grant sublicenses through multiple tiers, under the NEWCO Product Technology (but excluding any Patents in jurisdictions that are inside the NEWCO Territory), to research, Develop, Manufacture, use, sell, offer for sale, import and otherwise Commercialize the Compounds and Products in the EpimAb Territory;

(b) provided the Parties agree to Manufacture Compound and Products for the EpimAb Territory in the NEWCO Territory, a non-exclusive, fully paid, royalty-free, perpetual and irrevocable license, with the right to grant sublicenses through multiple tiers, under the NEWCO Product Technology, to Manufacture the Compounds and Products in the NEWCO Territory to the extent agreed upon between the Parties in writing referencing this Agreement and then solely to research, Develop, use, sell, offer for sale, import and otherwise Commercialize Compounds and Products in the Field in the EpimAb Territory; and

(c) a non-exclusive, fully paid, royalty-free, perpetual and irrevocable license, with the right to grant sublicenses through multiple tiers, under any FIT-Ig Technology Improvements, for any and all uses, other than the Development and Commercialization of the Compounds and Products in the Field in the NEWCO Territory during the Term.

2.8 No Implied Licenses; Negative Covenant. Except as expressly set forth herein, no license or other right or interest under any Know-How or Patents or other intellectual property of either Party is granted (by implication or otherwise) to the other Party under this Agreement. Other than to exercise EpimAb's retained rights expressly set forth in Section 2.3, EpimAb shall not, and shall not permit any of its licensees or Affiliates (including the Oncology Third Party) to, practice under any Licensed Patent inside the scope of any exclusive license granted by EpimAb to NEWCO under Section 2.1 of this Agreement. For clarity, the license granted by EpimAb to NEWCO hereunder does not include any right to use FIT-Ig Technology or the CD3 Binding Domains to discover, design or construct any new multispecific antibody (including a bispecific antibody) that is not a Modified Compound.

2.9 Licensed Know-How Technology Transfer. Promptly after the Effective Date and, in any event, within [***] after the Effective Date, EpimAb shall provide NEWCO with access (which may be provided through an electronic data room) to the Licensed Know-How set forth in **Schedule 2.9** and all other material Licensed Know-How. EpimAb shall also provide NEWCO with all other Licensed Know-How upon NEWCO's request in a format reasonably requested by NEWCO. If any Licensed Know-How is provided in a language other than English, then, upon NEWCO's request and [***], EpimAb shall promptly arrange for a certified translator to translate such Licensed Know-How and provide such translation to NEWCO. Additionally, EpimAb shall notify NEWCO of material updates to Licensed Know-How after the Effective Date and EpimAb shall provide NEWCO with access to any Licensed Know-How generated after the Effective Date as requested by NEWCO. In connection with such technology transfer whether promptly after the Effective Date or otherwise during the term of this Agreement, EpimAb shall also provide NEWCO with reasonable technical assistance to help NEWCO to understand and use such Licensed Know-How in connection with the Development of the Compounds and Products, including reasonable access to EpimAb's technical personnel involved in the research and Development of the Compounds and Products. Within [***] after receipt of invoices from EpimAb, [***] shall reimburse [***] for the out-of-pocket costs and internal costs incurred by [***] to provide such technical assistance, except for the internal cost of the first [***] of assistance, which shall be provided at [***].

2.10 Territory Restriction. Each Party hereby covenants and agrees that it shall not, and shall ensure that its Affiliates and licensees or sublicensees shall not, either directly or indirectly, promote, market, distribute, import, sell or have sold any Product, including via the Internet or mail order, to any Third Party or address or Internet Protocol address or the like outside the Party's Territory, or to any Third Party that such Party, or any of its Affiliate, licensees or sublicensee knows (or is reasonably expected to know) has previously exported or is likely to export such Product outside the Party's Territory. Each Party shall not engage, and shall ensure that its Affiliates, licensees or sublicensees shall not engage, in any advertising or promotional activities relating to any Product directed primarily to customers or other buyers or users located in any Country or jurisdiction outside the Party's Territory, or solicit orders for any Product from any prospective customer or other buyer or user located in any Country or jurisdiction outside the Party's Territory. If a Party or its Affiliates, licensees or sublicensees receive any order for any Product from a prospective customer or other buyer or user located in a Country or jurisdiction outside the Party's Territory, such Party shall immediately refer that order to the other Party and shall not accept any such orders. Each Party shall not, and shall ensure that its Affiliates, licensees and sublicensees shall not, deliver or tender (or cause to be delivered or tendered) any Product outside the Party's Territory. For the avoidance of doubt, nothing in this Section 2.10 limits a Party's importation of Product Manufactured outside its Territory into its Territory, if otherwise permitted by this Agreement.

2.11 Non-Compete.

(a) Subject to Section 2.11(b) below, from the Effective Date and until the [***] thereof, neither EpimAb nor any of its Affiliates will conduct, directly or indirectly, or collaborate with, license or otherwise grant any rights to any Third Party to [***] (a "**Competing Program**").

(b) Notwithstanding the foregoing, in the event that a Third Party becomes an Affiliate of EpimAb after the Effective Date through merger, acquisition, consolidation or other similar transaction, and such Third Party, as of the closing date of such transaction, is engaged in the conduct of a Competing Program, then:

(i) if such transaction results in a Change of Control of EpimAb, then such new Affiliate shall have the right to continue such Competing Program and such continuation shall not constitute a breach of EpimAb's exclusivity obligations set forth above; provided that such new Affiliate conducts such Competing Program independently of the activities of this Agreement and does not use any Licensed Technology or NEWCO Product Technology in the conduct of such Competing Program; and

(ii) if such transaction does not result in a Change of Control of EpimAb, then EpimAb and its new Affiliate shall have [***] from the closing date of such transaction to wind down or divest such Competing Program, and its new Affiliate's conduct of such Competing Program during such [***] period shall not be deemed a breach of EpimAb's exclusivity obligations set forth above; provided that such new Affiliate conducts such Competing Program during such [***] period independently of the activities of this Agreement and does not use any Licensed Technology or NEWCO Product Technology in the conduct of such Competing Program.

2.12 Research Collaboration. If requested by NEWCO, the Parties shall endeavor in good faith to agree to (a) a term sheet (including a research plan) for the Research Collaboration Agreement within [***] after the Effective Date, and (b) a research collaboration agreement within [***] after finalizing the term sheet, pursuant to which EpimAb would perform research activities utilizing its proprietary technologies to discover and develop new drug products, other than any Product, in the area of [***] or [***] and [***] (the "**Research Collaboration Agreement**"). Notwithstanding the foregoing, nothing obligates either Party to enter into the Research Collaboration Agreement (even if NEWCO requests a research collaboration) and each Party may cease negotiation thereof at any time and without any liability to the other Party.

ARTICLE 3 GOVERNANCE

3.1 Alliance Manager. Within [***] after the Effective Date, each Party shall appoint (and notify the other Party of the identity of) a representative having the appropriate qualifications (including a general understanding of pharmaceutical development, manufacture and commercialization issues) to act as its alliance manager under this Agreement (the "**Alliance Manager**"). The Alliance Managers shall serve as the primary contact points between the Parties regarding the activities contemplated by this Agreement. The Alliance Managers shall facilitate the flow of information and otherwise promote communication, coordination and collaboration between the Parties, providing single point communication for seeking consensus both internally within each Party's respective organization, including facilitating review of external corporate communications, and raising cross-Party or cross-functional issues in a timely manner. Each Party may replace its Alliance Manager by written notice to the other Party.

3.2 Joint Steering Committee.

(a) Formation. Within [***] after the Effective Date, the Parties shall establish a joint steering committee (the "**Joint Steering Committee**" or the "**JSC**") to review the Development, Manufacture and Commercialization of the Compounds and Products of the Parties (and, if applicable, the Oncology Third Party). Each Party shall designate [***] representative to the JSC, each of whom shall be an officer or employee of the applicable Party having sufficient seniority within such Party to make decisions arising within the scope of the JSC's responsibilities. Each Party may replace its JSC representative upon written notice to the other Party.

(b) Role. The JSC shall (i) provide a forum for the discussion of the Parties' activities under this Agreement and the Development, Manufacture and Commercialization of the Products; (ii) (A) review, discuss and approve the overall strategy for the Development, Manufacture and Commercialization of Products in the EpimAb Territory and (B) prior to a [***], review and discuss the activities undertaken to Develop and Manufacture Products in the NEWCO Territory; (iii) coordinate and oversee technology transfer conducted under Section 2.9 and Section 6.5; (iv) review, discuss, and approve the Development Plans, and any material amendments thereto ([***]); (v) review, and discuss: (A) the Commercialization Plan and material amendments thereto for the NEWCO Territory to the extent required by Section 7.3; and (B) the Commercialization Plans in the EpimAb Territory and amendments thereto; (vi) establish joint subcommittees (such as Development subcommittee and Commercialization subcommittee) as necessary or advisable to further the purpose of this Agreement; and (vii) perform such other functions as expressly set forth in this Agreement or allocated to it by the Parties' written agreement. For clarity: (1) except as expressly set forth in Section 3.2(b)(ii)(B) and Section 3.2(b)(v)(A) or the last sentence of Section 5.1, NEWCO has no obligation [***]; and (2) except as expressly set forth in Section 3.2(b)(ii)(B), [***].

(c) Limitation of Authority. The JSC shall only have the powers expressly assigned to it in this Article 3 and elsewhere in this Agreement and shall not have the authority to: (i) modify or amend the terms and conditions of this Agreement; (ii) waive either Party's compliance with the terms and conditions of this Agreement; or (iii) determine any such issue in a manner that would conflict with the express terms and conditions of this Agreement.

(d) 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 [***] until a [***]. Thereafter, the JSC shall hold meetings no less frequently than [***]. NEWCO may call additional ad hoc JSC meetings as the needs arise with reasonable advance notice to EpimAb (but NEWCO may not call for more than [***] such meeting in any [***]) and EpimAb may call additional ad hoc JSC meetings with reasonable advance notice to NEWCO (but EpimAb may not call for more than [***] such meeting in any [***]). Meetings of the JSC may be held in person, by audio or video teleconference. In-person JSC meetings shall be held at locations selected alternatively by the Parties. Each Party shall be responsible for all of its own expenses of participating in the JSC meetings. No action taken at any JSC meeting shall be effective unless at least one representative of each Party is participating in such JSC meeting.

(e) Non-Member Attendance. Each Party may from time to time invite a reasonable number of participants, in addition to its representatives, to attend the JSC meetings in a non-voting capacity; provided that if either Party intends to have any Third Party (including any consultant) attend such a meeting, such Party shall provide prior written notice to the other Party. Such Party shall also ensure that such non-member representative is bound by confidentiality and non-use obligations consistent with the terms of this Agreement.

(f) **Decision-Making.** All decisions of the JSC shall be made by unanimous vote, with each Party's representatives having one vote. If after reasonable discussion and good faith consideration of each Party's view on a particular matter before the JSC, the JSC cannot reach a decision as to such matter within [***] after such matter was brought to the JSC for resolution, unless otherwise agreed by the Parties in writing, EpimAb shall have final decision making authority over [***]; provided, however, that NEWCO, acting reasonably and in good faith, shall have final decision making authority over the following matters [***]:

[***].

With respect to Section 3.2(f)(2), NEWCO shall decide such matters: (A) [***]; or (B) [***].

(g) **NEWCO Territory JSC Matter.** NEWCO may, from time to time prior to a [***], inform the EpimAb JSC representative in writing and specify, with reasonable detail sufficient to support a decision on the requested matter, that [***] ("**Immediate Decision Request**") and, upon informing the EpimAb JSC representative of such, NEWCO's JSC Representative shall make itself reasonably available to EpimAb's JSC representative to discuss such matter. Notwithstanding anything to the contrary, after [***] following receipt by EpimAb of an Immediate Decision Request (for clarity, receipt of the EpimAb JSC representative of an Immediate Decision Request via email from NEWCO shall be considered "receipt by EpimAb of an Immediate Decision Request"), NEWCO shall have [***] corresponding to such [***]. After the occurrence of a [***], NEWCO shall decide NEWCO Territory JSC Matters [***].

3.3 Third Party Partners. In the event a Party grants a license or sublicense according to Sections 2.2 or 2.4 (including to the Oncology Third Party), to a Third Party in the Territory (each such Third Party, a “**Third Party Partner**”), each Third Party Partner may nominate an alliance manager and a representative who may join the JSC from time to time and represent its Development and Commercialization plans and activities. If such Third Party Partner does not join the JSC in such manner, the Party that granted them a license or sublicense, as applicable, shall represent them.

3.4 Change of Control. In the event of a Change of Control where the acquired Party no longer exists, the acquiring Third Party shall assume the role of the acquired Party in the JSC. In a Change of Control of NEWCO where NEWCO still exists and has not assigned this Agreement or if NEWCO exclusively licenses all or substantially all of its rights in the Licensed Technology under this Agreement, NEWCO may delegate to such Acquirer or exclusive licensee the exercise of its JSC rights and performance of all of its JSC obligations. In the event such acquiring Third Party or exclusive licensee of EpimAb Controls a Competing Product, it shall take reasonable steps to ensure separation between its employees involved in the Product and the employees involved in such Competing Product.

3.5 Discontinuation of JSC. The JSC shall continue to exist [***]. [***], the JSC shall have no further obligations under this Agreement and, thereafter, the Alliance Managers shall be the contact persons for the exchange of information under this Agreement and decisions of the JSC shall be decisions as between the Parties, subject to the same respective decision-making rights and limitations set forth in Section 3.2(f) and other terms and conditions of this Agreement.

3.6 [***]. Notwithstanding anything to the contrary, after a [***]: (a) the JSC shall [***]; (b) [***], which [***]; and (c) NEWCO shall, as between the Parties and the JSC, have all decision-making authority over [***] and [***]. For clarity, unless the Parties’ rights and obligations are expressly modified under this Section or elsewhere under this Agreement, the rights and obligations of either Party remain unaffected by the occurrence of the [***].

ARTICLE 4 DEVELOPMENT

4.1 General.

(a) Oncology Clinical Trial. EpimAb or its designee will be responsible, and will have full control and authority, for carrying out the Oncology Clinical Trial until completion [***], and EpimAb will continue to be the IND holder or sponsor Party (as applicable) for the Oncology Clinical Trial. No further patients shall be recruited into the Oncology Clinical Trial. EpimAb shall promptly [***] set forth in **Schedule 4.1(a)** (the “[***]”), provided, however, that this sentence does not require EpimAb [***] in a manner consistent with the existing protocol for the Oncology Clinical Trial.

(b) **NEWCO Territory.** Subject to Section 4.1(a), NEWCO shall be responsible for carrying out the Development activities for obtaining Regulatory Approval in the NEWCO Territory [***].

(c) **EpimAb Territory.**

(i) Subject to Section 2.4(b) and Article 3, EpimAb will be responsible for carrying out the Non-Oncology Development and obtaining Regulatory Approval for the Products in the non-oncology Indications in the EpimAb Territory [***].

(ii) In the event NEWCO desires to recruit patients in the EpimAb Territory for its own Development purposes in the NEWCO Territory, at NEWCO's request, EpimAb will reasonably assist NEWCO at [***].

(iii) If the [***] is granted, the Oncology Third Party shall be responsible for pursuing Oncology Development and obtaining Regulatory Approval for the Products in oncology Indications in the EpimAb Territory [***].

(iv) [***] shall, directly or indirectly, [***]. Any dispute as to (a) [***] or (b) [***] shall be resolved through Section 14.2 and Section 14.3.

4.2 Development Diligence. During the period commencing upon the Effective Date and ending on the date of a [***], NEWCO (or any of its Affiliates or sublicensees) shall use Commercially Reasonable Efforts to Develop at least one Product in the Field in the NEWCO Territory.

4.3 Development Plan.

(a) All Development of the Compounds and Products by each of EpimAb and the Oncology Third Party, including regulatory affairs in the Territory related thereto, shall be conducted pursuant to a comprehensive written Development plan that sets forth the timeline, budget and other details of all material Development work (including all Clinical Trials) to be conducted by or on behalf of EpimAb and the Oncology Third Party, as applicable, in the EpimAb Territory (the "**EpimAb Development Plan**"). Neither EpimAb nor the Oncology Third Party shall, directly or indirectly, Develop any Compounds or Products except in accordance with the Development Plan.

(b) Prior to a [***], all Development of the Compounds and Products by or on behalf of NEWCO (including through its Affiliate or sublicensees), including regulatory affairs in the Territory related thereto, shall be conducted pursuant to a written Development plan that sets forth the timeline and other material details of all material Development work (including all Clinical Trials) to be conducted by or on behalf of NEWCO (including through its Affiliate or sublicensees) in the NEWCO Territory and the EpimAb Territory (the “**NEWCO Development Plan**”, together with the EpimAb Development Plan, the “**Development Plans**”).

(c) From time to time, but, for the EpimAb Development Plan, at least [***] every [***], each Party shall propose material updates or amendments to their respective Development Plan, and submit such proposed updated or amended plan to the JSC for review, discussion, and, approval. For clarity, in the case of NEWCO, such review, discussion, and approval can be accomplished by Section 3.2(g) and NEWCO has no requirement to submit such updates or amendments after a [***]. Once approved by the JSC (or, for the NEWCO Development Plan, after the process of Section 3.2(g)), the updated or amended Development Plan shall become effective.

4.4 Global Studies. From time to time during the Term, either Party may propose to the other Party, through the JSC, a Global Study for any Product that includes clinical sites in both the EpimAb Territory and the NEWCO Territory. If the Parties agree in writing (with no obligation to agree) to collaborate on any such Global Study, they shall agree to the operational matters and cost-sharing mechanism in writing prior to undertaking such Global Study.

4.5 Data Exchange and Use. In addition to its adverse event and safety data reporting obligations pursuant to Section 5.7, each Party shall promptly (but, in any event, within [***] after such information or documentation becomes available to such Party) provide the other Party with copies of all data and results and all supporting documentation (e.g. protocols, CRFs, analysis plans) generated from its, its Affiliates and licensee (including, in the case of EpimAb, the Oncology Third Party) or sublicensee’s Development of the Compounds and Products, in each case, to the extent available to such first Party, its Affiliates, licensee or sublicensee. NEWCO, its Affiliates and/or sublicensees shall have the right to use the data provided by EpimAb for the purpose of obtaining and maintaining Regulatory Approval for and Commercializing Products in the NEWCO Territory. EpimAb, its Affiliates and/or licensees shall have the right to use the data provided by NEWCO for the purpose of obtaining and maintaining Regulatory Approval for and Commercializing Products in the EpimAb Territory.

4.6 Development Records. Each Party shall, and shall ensure its Affiliates, licensees, and sublicensees to, maintain complete, current and accurate records of Development work conducted by or on behalf of them for the Compounds and Products, and data and other information resulting from such activities. Such records shall properly reflect work done and results achieved in the performance of the Development activities in good scientific manner appropriate for regulatory and patent purposes. Each Party shall, and shall ensure its Affiliates, licensees, and sublicensees to, document non-clinical studies and Clinical Trials in formal written study reports according to Applicable Laws and national and international guidelines (e.g., ICH, GCP, GLP, and cGMP). To the extent necessary to comply with Applicable Laws (including, without limitation, as necessary to obtain Regulatory Approval), each Party shall have the right to review and copy such records maintained by the other Party, its Affiliates, licensees, and sublicensees, at reasonable times and to obtain access to the original.

4.7 Development Reports. Each Party shall keep the other Party reasonably informed (reporting no less frequently than [***]) as to the progress and results of its and its Affiliates' and (sub)licensees' Development of the Compounds and Products in the NEWCO Territory or in the EpimAb Territory. Without limiting the foregoing, the status, progress and results of the Development of the Compounds and Products shall be discussed at regularly scheduled meetings of the JSC (or a joint Development subcommittee established by the JSC). [***] before each such meeting, each Party shall provide the JSC with a written report summarizing the Development activities by or on behalf of such Party, its Affiliates, licensees, and sublicensees and the results thereof, and with respect to NEWCO's report, covering subject matter at a level of detail reasonably required and sufficient to enable EpimAb to determine NEWCO's compliance with its diligence obligations pursuant to Section 4.2 (each a "**Diligence Report**"). In addition, each Party shall make available to the other Party such additional information about its Development activities as may be reasonably requested by the other Party from time to time (but no more than once in a Calendar Quarter); provided, however, that the obligation of this sentence shall not apply to NEWCO after a [***].

ARTICLE 5 REGULATORY

5.1 General. The Development Plans shall set forth the regulatory strategy of the respective Party for seeking Regulatory Approvals for the Products in the Territory. Each Party shall (by itself or through its Affiliates, licensees, and sublicensees) be responsible for all regulatory activities necessary for obtaining and maintaining Regulatory Approvals for the Products in its Territory, which regulatory activities shall be performed at [***], and: (a) in the case of EpimAb, in accordance with the regulatory strategy set forth in the EpimAb Development Plan; and (b) in the case of NEWCO prior to a [***], in accordance with the regulatory strategy set forth in the NEWCO Development Plan. Through the JSC, the Parties shall keep each other informed of regulatory developments related to the Products in each Party's respective Territory, including any decision by any Regulatory Authority regarding any Product.

5.2 Regulatory Approval Holder. Each Party (or its designee) shall apply for Regulatory Approvals of Products in such Party's Territory in its own name and [***], and shall be the named marketing authorization holder of the Regulatory Approvals of Products in its Territory.

5.3 Regulatory Materials. Each Party shall provide the other Party with copies of any Regulatory Materials relating to Products submitted to or received from any Regulatory Authority in such Party's Territory (and with respect to NEWCO, as well as the EpimAb Territory, if any) within [***] after submission or receipt, and shall notify the other Party of any other material communication relating to a Product with any Regulatory Authority in the Party's Territory (and with respect to NEWCO, as well as the EpimAb Territory, if any) within [***] after such communication.

5.4 Regulatory Assistance. Upon each Party's reasonable request, the other Party shall provide the requesting Party with reasonable assistance in connection with its regulatory activities for Products in the NEWCO Territory or the EpimAb Territory, including the preparation and submission of Regulatory Materials for IND and MAA. Within [***] after receipt of invoices from [***] shall [***] for [***] incurred to provide such regulatory assistance.

5.5 Regulatory Meetings. Each Party shall provide the other Party with reasonable advance notice (no less than [***] in any event) of any meeting or discussion with any Regulatory Authority related to any Product. Each Party shall lead such meeting or discussion in its Territory. Upon NEWCO's request, EpimAb shall endeavor reasonably to attend and participate in such meeting or discussion in the NEWCO Territory. If the other Party elects not to attend such meeting or discussion, the leading Party shall promptly provide the other Party with a written summary of such meeting or discussion.

5.6 Right of Reference. Each Party hereby grants to the other Party, its Affiliates or licensees or sublicensees the right of reference to all Regulatory Materials pertaining to any Product submitted by or on behalf of such Party, its Affiliates or licensees or sublicensees, for the other Party's or its Affiliates' or licensees' or sublicensees' seeking, obtaining and maintaining Regulatory Approval of such Product in such other Party's Territory. Each Party shall provide the applicable Regulatory Authority(ies) a letter confirming right of reference at any time within [***] after the other Party's request and shall take such other actions and execute such other documents as such other Party may reasonably request to further confirm and give effect to this right of reference.

5.7 Adverse Events Reporting. Promptly following the Effective Date, but in any event no later than the initiation of any Clinical Trial of a Product (except for the Oncology Clinical Trial) in the EpimAb Territory or the NEWCO Territory, the Parties shall endeavor to enter into a pharmacovigilance and adverse event reporting agreement setting forth the worldwide pharmacovigilance procedures for the Parties with respect to the Products, such as safety data sharing, adverse events reporting and prescription events monitoring (the "**Pharmacovigilance Agreement**"). Such procedures shall be in accordance with, and enable the Parties to fulfill, local and national regulatory reporting obligations under Applicable Laws. EpimAb shall transfer and NEWCO shall maintain the global safety database for the Products. Each Party shall hold the primary responsibility for reporting quality complaints, adverse events and safety data related to the Products in its Territory to such database and to the applicable Regulatory Authorities in its Territory, as well as responding to safety issues and to all requests of Regulatory Authorities in its Territory related to the Products, in each case at its own cost and to the extent required by the Applicable Laws. The Parties shall cooperate with each other with respect to their respective pharmacovigilance responsibilities. Each Party agrees to comply with its respective obligations under the Pharmacovigilance Agreement and to cause its Affiliates, licensees and sublicensees to comply with such obligations.

5.8 Regulatory Audits and Inspection. Upon reasonable advance notice, each Party or its representatives shall have the right to audit the regulatory, safety, quality and compliance systems, procedures and practices of the other Party and its Affiliates (and, in the case of NEWCO as the auditing Party, EpimAb's sublicensees or subcontractors) for the Manufacture of Products. Each Party shall promptly notify the other Party of any audit or inspection of such Party, its Affiliates, sublicensees or subcontractors by any Regulatory Authority relating to the Manufacturing of any Product and shall provide the other Party with all information pertinent thereto (including all copies of all notices, filings and correspondences received from or submitted to the Regulatory Authority in connection therewith).

5.9 No Harmful Actions. If a Party believes that the other Party or its licensees or sublicensees is taking or intends to take any action with respect to a Product that could have a material adverse impact upon the regulatory status of any Product in the first Party's Territory, such Party shall have the right to bring the matter to the attention of the JSC and the Parties shall promptly meet to discuss in good faith to resolve such concern. Without limiting the foregoing, unless the Parties otherwise agree: [***].

5.10 Remedial Actions. Each Party shall notify the other immediately, and promptly confirm such notice in writing, if it obtains information indicating that any Product may be subject to any recall, corrective action or other regulatory action by any Regulatory Authority or other Governmental Authority (a "**Remedial Action**"). The Parties shall assist each other in gathering and evaluating such information as is necessary to determine the necessity of conducting a Remedial Action. A Party shall have sole discretion with respect to any matters relating to any Remedial Action in such Party's Territory, including the decision to commence such Remedial Action and the control over such Remedial Action. The [***] of any Remedial Action in a Party's Territory shall [***]. A Party shall, and shall ensure that its Affiliates and licensees or sublicensees will, maintain adequate records to permit such Party to trace the distribution, sale and use of the Product in such Party's Territory.

ARTICLE 6 MANUFACTURE AND SUPPLY

6.1 Responsibilities for Manufacture and Supply of the Oncology Clinical Trial. EpimAb shall be responsible, at its cost and expense, for the Manufacture and supply of all Products for carrying out and completing the Oncology Clinical Trial.

6.2 Manufacture and Supply in the NEWCO Territory. NEWCO shall have the right, either by itself or through its Affiliates, sublicensees or Third Party contractors, to Manufacture all Compounds or Products for the Development (including performance of the Clinical Trials) or Commercialization of Products by or on behalf of NEWCO and its Affiliates and sublicensees in the NEWCO Territory, [***]. The Parties

may agree at the JSC that EpimAb will engage a Third Party contractor to Manufacture the Products in the NEWCO Territory for the Development and Commercialization of Product by or on behalf of EpimAb, its Affiliates or licensees in the EpimAb Territory.

6.3 Manufacture and Supply.

(a) [***], NEWCO shall decide the manufacturer(s) of the Compounds and Products for EpimAb, which may or may not be located in the EpimAb Territory. For clarity, EpimAb is responsible for establishing its own supply of Compounds and Products from such manufacturers. If the applicable manufacturer selected by NEWCO (A) [***] and (B) [***], EpimAb and its Affiliates shall neither: (i) [***]; nor (ii) [***]. The Parties shall collaborate to ensure each Party is adequately supplied with EMB-06 and Products from such manufacturer(s). If the Oncology Third Party obtains the [***] and does not agree to use such manufacturer(s) [***], then the Oncology Third Party shall have the right, either by itself or through its Affiliates or Third Party contractors, [***].

(b) [***], EpimAb shall be free to decide whether to engage a different manufacturer in the EpimAb Territory or to Manufacture the Products in the EpimAb Territory by itself or through its Affiliates or licensees.

(c) Subject to the licenses granted in Section 2.1, NEWCO may elect to Manufacture the Compounds or Products in the EpimAb Territory for Development and Commercialization for the NEWCO Territory.

6.4 Inventory. Upon NEWCO's request within [***] after the Effective Date, EpimAb shall transfer to NEWCO approximately [***] of the Primary Compound (or such lesser amount requested by NEWCO) (the "**Allocated Inventory**"). EpimAb will deliver the Allocated Inventory to NEWCO or NEWCO's designee [***] designated facility, promptly following such request.

6.5 Manufacture Technology Transfer; Interim Supply. In order for NEWCO to exercise its rights as set forth in Sections 6.2 and 6.3, the Parties shall coordinate and agree to a Manufacturing technology transfer plan pursuant to which EpimAb shall provide NEWCO with reasonable technical assistance to enable NEWCO or its designee to Manufacture the Primary Compound and Products containing the Primary Compound. Such technical assistance shall, if requested by NEWCO, [***]. Within [***] after receipt of invoices from [***], [***] to provide such technical assistance, except for the [***] of assistance, which shall be provided [***]. In addition, upon NEWCO's reasonable request, EpimAb shall also [***]. Upon NEWCO's request (and [***]) from time to time prior to the [***] of the Effective Date, EpimAb shall endeavor reasonably to [***].

ARTICLE 7
COMMERCIALIZATION

7.1 General. Subject to the terms and conditions of this Agreement, each Party shall, either by itself or through its Affiliates, licensees or sublicensees or Third Party contractor(s), be solely responsible for the Commercialization of Products in such Party's Territory, [***], including developing and executing a commercial launch plan, product marketing and promotion, marketing access and pricing strategy, negotiating with applicable Governmental Authorities regarding the price and reimbursement mechanisms, booking sales, product distribution, providing customer support (including handling medical queries), and performing other related functions.

7.2 OMITTED.

7.3 Commercialization Plan. No later than [***] before the anticipated date of the submission of the first MAA for a Product in its Territory, each Party shall submit to the JSC (or a joint Commercialization subcommittee established by the JSC) for review and discussion a written Commercialization plan that sets forth the timeline and details of all major Commercialization activities planned for such Product in such Party's Territory for the next [***] (each, a "**Commercialization Plan**"). Each Commercialization Plan shall include, without limitation, pricing and market access strategy ("**Pricing and Access Strategy**"). EpimAb shall not, directly or indirectly, Commercialize any Compounds or Products except in a manner consistent with the Pricing and Access Strategy portion of its Commercialization Plan. Thereafter, from time to time, but at least [***], EpimAb shall prepare updates or amendments to its Commercialization Plan to reflect changes in such plans, including those in response to changes in the marketplace, relative success of the Products, and other relevant factors influencing such plan and activities, and submit such update or amendment to JSC for review and discussion. NEWCO shall submit material updates or amendments to its Commercialization Plan the JSC for review, provided, however, that such updates or amendments may be submitted after NEWCO implements and starts conducting the activities contemplated in such updates or amendments. The Commercialization of the Product in the Territory shall be conducted pursuant to the Commercialization Plan. Notwithstanding the foregoing or anything to the contrary, after NEWCO undergoes a Change of Control to an Acquirer (or NEWCO exclusively licenses all or substantially all its rights in the Licensed Technology under this Agreement to a Person) that, collectively with its Affiliates, has a market capitalization of greater than [***] at the time of such Change of Control (or exclusive license, as applicable), NEWCO shall have no obligation to: [***].

7.4 Coordination of Commercialization Activities. The Parties recognize that they may benefit from the coordination of certain activities in support of the Commercialization of Products across their Territories. As such, the Parties may coordinate such activities where appropriate, including scientific and medical communication and product positioning. This paragraph creates no obligation on the Parties in any way and is merely a statement of possible intent.

7.5 Commercialization Reports. EpimAb shall keep NEWCO reasonably informed of its Commercialization activities with respect to the Products in the EpimAb Territory. Without limiting the foregoing, EpimAb shall update NEWCO at each regularly scheduled JSC meeting regarding the Commercialization activities with respect to the Product in the EpimAb Territory. Each such update shall include a reasonably detailed summary of EpimAb's significant Commercialization activities with respect to the Products in the EpimAb Territory. In addition, EpimAb shall make available to NEWCO such additional information about its Commercialization activities with respect to the Product as may be reasonably requested by NEWCO from time to time. Notwithstanding the foregoing, EpimAb shall have no obligations under this Section 7.5 after EpimAb undergoes a Change of Control to an Acquirer (or EpimAb exclusively licenses all or substantially all its rights in the Licensed Technology under this Agreement to a Person) that, collectively with its Affiliates, has a market capitalization of greater than [***] at the time of such Change of Control (or exclusive license, as applicable).

ARTICLE 8 PAYMENTS AND MILESTONES

8.1 Equity Issuance. As partial consideration for the licenses and other rights granted by EpimAb to NEWCO hereunder, on the Effective Date, NEWCO shall issue to [***] (“**EpimAb Parent**”), and shareholders of EpimAb Parent (the “**EpimAb Shareholders**”) specified on **Schedule 8.1** hereto that number of shares of Series A Preferred Stock of NEWCO set forth opposite the names of EpimAb Parent and such shareholders in the column entitled “EpimAb/ EpimAb Shareholder” on **Schedule 8.1** hereto, pursuant to the terms and conditions of that certain Series A Preferred Stock Purchase Agreement dated as of the date hereof by and between NEWCO, EpimAb Parent, EpimAb Shareholders and the other purchasers named therein (the “**Series A Purchase Agreement**”). The aggregate number of shares of Series A Preferred Stock of NEWCO issued pursuant to this Section 8.1 shall be thirty million (30,000,000), representing [***] of the fully diluted shares of NEWCO immediately following the Closings (as defined in the Series A Purchase Agreement). In addition to the Series A Purchase Agreement, EpimAb Parent and EpimAb Shareholders will also enter into, and become parties to, the same financing agreements entered into by the other purchasers of NEWCO's Series A Preferred Stock, including an Investors' Rights Agreement, a Voting Agreement, and a Right of First Refusal and Co-Sale Agreement.

8.2 Upfront Payment. In partial consideration of the licenses and other rights granted by EpimAb to NEWCO hereunder, NEWCO shall pay to EpimAb a one-time, non-refundable and non-creditable upfront payment of thirty million Dollars (\$30,000,000) within [***] after the Effective Date.

8.3 Development and Regulatory Milestones Payments.

(a) **Milestone Events.** In partial consideration of the licenses and other rights granted by EpimAb to NEWCO hereunder and subject to the remainder of this Section 8.3, NEWCO shall pay to EpimAb the following one-time, non-refundable and non-creditable milestone payments set forth in the table below upon the first achievement of the corresponding milestone event (each, a “**Milestone Event**”) (whether by NEWCO, its Affiliate or sublicensee):

<u>Milestone Event in the NEWCO Territory</u>	<u>Milestone Payment (in million Dollars)</u>
1) [***]	[***]
2) [***]	[***]
3) [***]	[***]
4) [***]	[***]
5) [***]	[***]
6) [***]	[***]
Total	95

(b) **Milestone Conditions.** The following conditions apply with respect to the milestones and payments set forth in the table above in Section 8.3(a).

(i) Each milestone payment set forth above shall be due and payable only once, regardless of how many times such Milestone Event is achieved or the number of Products that achieve such Milestone Event. The aggregate milestone payments under this Section 8.3 shall not exceed ninety-five million Dollars (\$95,000,000).

(ii) Each milestone payment set forth above shall be due and payable irrespective of whether such Milestone Event is achieved by NEWCO, its Affiliates, or sublicensee(s).

(iii) If Milestone Event #1 has not occurred before Milestone Event #2, #3, #5, or #6 occurs, then Milestone Event #1 will be deemed to have occurred on the same date as the occurrence of Milestone Event #2, #3, #5, or #6 (whichever is first) as applicable.

(iv) If Milestone Event #2 has not occurred before Milestone Event #3, #5, or #6 occurs, then Milestone Event #2 will be deemed to have occurred on the same date as the occurrence of Milestone Event #3, #5, or #6 as applicable.

(c) **Pivotal Clinical Trial Advancement.** NEWCO or its Acquirer may, but is not obligated to, pay in advance to EpimAb the [***] milestone payment for Milestone Event #2 ([**]) prior to the achievement of such Milestone Event #2. For clarity, if NEWCO or its Acquirer makes such payment, then NEWCO's obligation to pay such amount after the achievement of Milestone Event #2 shall be deemed fully satisfied and no further payment shall be due with respect to Milestone Event #2 if such Milestone Event #2 is subsequently achieved.

(d) **Notice and Payment.** NEWCO shall notify EpimAb in writing within [***] after the first achievement of each Milestone Event set forth above and shall pay to EpimAb the corresponding milestone payment within [***] after the achievement of such Milestone Event.

8.4 Sales Milestone.

(a) **Sales Milestone Events.** In partial consideration of the licenses and other rights granted by EpimAb to NEWCO hereunder and subject to the remainder of this Section 8.4, NEWCO shall pay to EpimAb the following one-time, non-refundable and non-creditable sales milestone payments set forth in the table below within forty [***] after the first Calendar Year in which the aggregated Net Sales of all Products sold in the NEWCO Territory in such Calendar Year reach the corresponding threshold value indicated below. If a sales milestone is achieved prior to the end of a Calendar Year, then the corresponding payment shall be made within [***] after the end of the [***] in which such milestone is achieved (rather than at the end of the [***]).

Aggregate Annual Net Sales (in [***] Dollars) of all Products in the NEWCO Territory within any Calendar Year		Milestone Payment (in million Dollars)
1. Equal or exceed	[***]	[***]
2. Equal or exceed	[***]	[***]
3. Equal or exceed	[***]	[***]
4. Equal or exceed	[***]	[***]
5. Equal or exceed	[***]	[***]
Total		480

(b) **Milestone Conditions.** Each sales milestone payment set forth above shall be due and payable only once, regardless of how many times such sales milestone event is achieved. The aggregate milestone payments under this Section 8.4 shall not exceed four hundred and eighty million Dollars (\$480,000,000). For clarity, the sales milestone payments in this Section 8.4 are additive, such that if more than one sales milestone set forth above is achieved in the same Calendar Year, then the milestone payments for all such sales milestones shall be payable.

(c) **Notice and Payment.** As part of the royalty report in Section 8.5(g), NEWCO shall provide written notice to EpimAb if any sales milestone event set forth in Section 8.4(a) above occurs during the time period to which such royalty report pertains. NEWCO shall pay to EpimAb the corresponding milestone payments concurrently with the delivery of such royalty report (i.e., within [***] after the end of the applicable [***]).

8.5 Royalty Payments.

(a) **Royalty Rates.** In partial consideration of the licenses and other rights granted by EpimAb to NEWCO hereunder and subject to the remainder of this Section 8.5, NEWCO shall make quarterly non-refundable running royalty payments to EpimAb on the Net Sales of Products sold in the NEWCO Territory, as calculated by multiplying the applicable royalty rate set forth in the table below by the corresponding amount of incremental, aggregated annual Net Sales of all Products sold in the NEWCO Territory in the applicable Calendar Year.

For that portion of annual Net Sales (in [***] Dollars) of all Products in the NEWCO Territory in the applicable Calendar Year		Royalty Rate
1) less than or equal to	[***]	[***]
2) greater than	[***]	[***]
but less than or equal to	[***]	[***]
3) greater than	[***]	[***]

(b) **Royalty Term.** NEWCO's obligation to pay royalties pursuant to this Section 8.5 shall continue, on a Product-by-Product and Country-by-Country basis, until the latest of: (i) the expiration of the last Valid Claim in the Licensed Patent in such Country that claims such Product, including the composition of matter of or the formulation, method of making or method of using such Product (including any components thereof); (ii) the expiration of all Regulatory Exclusivity for such Product in such Country; and (iii) the date that is twelve (12) years after the First Commercial Sale of a Product in such Country (i.e., the first Product to have a First Commercial Sale in such Country) (the "**Royalty Term**").

(c) Royalty Adjustments.

(i) Third Party Licenses. Subject to Section 8.6, in the event NEWCO or any of its Affiliates or sublicensees obtains a license under any Patent or Know-How of a Third Party (including, pursuant to any Elected Upstream License Agreement) that Covers or is necessary to make, use, or sell, offer to sell, or import a Product (including, without limitation, a Compound in a Product) in a Country (a “**Third Party License**”), then subject to Section 8.5(c)(iv), NEWCO may deduct from the royalty payments that would otherwise have been due under Section 8.5(a) in the corresponding [***], an amount equal to [***] of the amount of such payments paid (or payable) by NEWCO to such Third Party ([***]) to the extent attributable to Products for such license in such Country for such [***].

(ii) Patent Expiry. Subject to Section 8.5(c)(iv), on a Product-by-Product and Country-by-Country basis, if such Product is no longer Covered by a Valid Claim in the Licensed Patent, then the royalty payments payable under Section 8.5(a) with respect to such Product in such Country will be reduced by [***] during such period.

(iii) Biosimilar Entry. Subject to Section 8.5(c)(iv), on a Product-by-Product and Country-by-Country basis, if any Biosimilar Product for any of the Indications included in the approved labeling of such Product is launched in such Country in a given [***], then, thereafter, the royalty payments payable under Section 8.5(a) with respect to such Product in such Country shall be reduced by [***].

(iv) Royalty Floor. In no event shall the royalty reductions described in Section 8.5(c)(i) through Section 8.5(c)(iii), alone or together, reduce the royalties payable by NEWCO for a given [***] during the Royalty Term for a particular Product in a particular Country in the NEWCO Territory to less than [***] of the amounts payable by NEWCO for such [***] pursuant to Section 8.5(a).

(d) [***].

(e) **Royalty Report and Payment.** Within [***] after the end of each [***], commencing with the [***] in which there is any sale of any Product anywhere in the NEWCO Territory, NEWCO shall provide EpimAb with a report that contains the following information for the applicable [***], on a Product-by-Product and Country-by-Country basis in the NEWCO Territory: [***]. Concurrent with the delivery of the applicable quarterly royalty report, NEWCO shall pay to EpimAb (or its Affiliate designated by EpimAb in writing at least [***] in advance) the royalties owed with respect to Net Sales for such [***] and, if any sales milestone is achieved during such [***], the corresponding sales milestone payment.

8.6 Payments under Upstream License Agreements.

(a) As between the Parties, [***] shall be [***] that are payable by [***] to [***] under the [***] arising from the licenses granted to NEWCO hereunder. At NEWCO's election, [***] shall either (a) timely [***] for [***] to meet its payment obligations to [***], or (b) directly make [***] and promptly provide documentation to [***] demonstrating that [***].

(b) As between the Parties, [***], its Affiliates or its or their sublicensees. Notwithstanding the foregoing: (i) [***], its Affiliates or its or their sublicensees; and (ii) [***] in accordance with Section 8.6(a).

8.7 Currency; Exchange Rate. All payments to be made by NEWCO to EpimAb under this Agreement (including the upfront payment, milestone payments and royalties) shall be made in Dollars by bank wire transfer in immediately available funds to a bank account designated by written notice from EpimAb. The rate of exchange to be used in computing the amount of currency equivalent in Dollars shall be made at the average of the middle price reported by The Wall Street Journal for the first, middle and last Business Days of the applicable reporting period for the payment due or, if applicable, the period for which the invoice was issued.

8.8 Late Payments. Time is of the essence in respect of all payment obligations under this Agreement. If EpimAb does not receive payment of any sum due to it on or before the due date therefor, simple interest shall thereafter accrue on the sum due to EpimAb from the due date until the date of payment at the interest rate of [***] above LIBOR as reported by The Wall Street Journal for the first, middle and last Business Days of the applicable period since payment due date per [***].

8.9 Financial Records and Audits. NEWCO shall (and shall ensure that its sublicensees (including Affiliates that are sublicensees) will) maintain complete and accurate records in accordance with Accounting Standards and in sufficient detail to permit EpimAb to confirm the accuracy of Net Sales and gross sales reported by NEWCO and amounts payable under this Agreement. Upon no less than [***] prior notice, such records shall be open for examination, during regular business hours, for a period of [***] following the end of the [***] to which they pertain, and not more often than once in any [***] period, by an independent certified public accountant selected by EpimAb and reasonably acceptable to NEWCO, for the sole purpose of verifying for EpimAb the accuracy of the Net Sales, gross sales, royalty reports and any payments provided by NEWCO under this Agreement. [***] of such audit unless such audit reveals an underpayment by [***] of more than [***] of the amount actually due during any [***], in which case [***] of such audit. NEWCO shall pay to EpimAb any underpayment discovered by such audit within [***] after the accountant's report, plus interest (as set forth in Section 8.8) from the original due date. NEWCO shall include in each relevant sublicense granted by it a provision requiring the sublicensee to maintain records of sales of Products made pursuant to such sublicense and to [***].

8.10 Tax Withholding. If Applicable Laws require that taxes be deducted and withheld from a payment made by NEWCO to EpimAb under this Agreement, NEWCO shall (a) deduct those taxes from the payment; (b) pay the taxes to the proper taxing authority; and (c) send evidence of the obligation together with proof of payment to EpimAb within [***] following that payment. NEWCO's payment of such amount to the relevant taxing authority shall be deemed payment to EpimAb of such amount for all purposes under this Agreement. EpimAb and NEWCO will cooperate with respect to all documentation required by any taxing authority or reasonably requested by either Party to secure a reduction in the rate of applicable value added tax and withholding taxes or reduction or reimbursement of such taxes withheld.

ARTICLE 9 INTELLECTUAL PROPERTY

9.1 Inventions.

(a) Each Party shall solely own all Inventions invented or otherwise first created solely by or on behalf of such Party, including its, its Affiliates' and its sublicensees' employees, contractors and/or agents. Except to the extent restricted by the licenses and other rights granted to other Party under this Agreement or any other agreement between the Parties, each Party shall be entitled to practice, license, assign and otherwise exploit any Invention invented and owned solely by or on behalf of such Party. For all purposes of this Agreement, whether an Invention is invented or otherwise first created shall be determined in accordance with U.S. patent laws pertaining to inventorship (regardless of whether the applicable Invention is patentable or not).

(b) The Parties shall jointly own all Inventions invented or otherwise first created jointly by both Parties (“**Joint Inventions**”). Except to the extent restricted by the licenses and other rights granted to other Party under this Agreement or any other agreement between the Parties, each Party, as joint owners, shall be entitled to practice, license (with the ability to grant sublicenses through multiple tiers), assign and otherwise exploit its interest in the jointly owned Inventions without the duty of accounting or seeking consent from the other Party. When Prosecuting Joint Patents, the Parties shall use reasonable efforts to separate claims into Joint Product Specific Patents and Joint Product Non-Specific Patents so that Joint Product Non-Specific Patents do not contain any Product Specific Claims.

9.2 Separation of Licensed Patents

(a) Promptly following the Effective Date, EpimAb shall, as soon as commercially reasonably possible, separate the Licensed Patents containing both Product Specific Claims and Product Non-Specific Claims (“**To-Be-Separated Patents**”) into Product Specific Patents that do not contain any Product Non-Specific Claims and Product Non-Specific Patents that do not contain any Product Specific Claims. [***] shall initially bear the cost of such separation and [***] shall reimburse [***] for [***] of its out-of-pocket expenses in effecting such separation.

(b) To the extent necessary to effectuate the right and responsibility transfer in Section 9.2(a), the Parties shall select a mutually acceptable patent counsel to make appropriate filings to the applicable patent authority in each relevant Country within [***] following Effective Date (the “**Cut-off Date**”) to effectuate the intention of Section 9.2(a). Thereafter, upon confirmation by the patent authority of each Country, EpimAb shall inform NEWCO thereof, so that NEWCO can exercise the right and take on the responsibility as contemplated in Section 9.2(a). EpimAb shall update **Schedule 1.71** (Product Non-Specific Patents) and **Schedule 1.73** (Product Specific Patent) at regular intervals to reflect the division of the To-Be-Separated Patents into the above Patent categories. Without limiting the generality of the foregoing, EpimAb shall, upon NEWCO’s reasonable request from time to time, amend this Agreement to document the updates to **Schedule 1.71** (Product Non-Specific Patents) and **Schedule 1.73** (Product Specific Patent).

(c) EpimAb shall, [***], Prosecute each To-Be-Separated Patent prior to the earlier of the Cut-off Date and the actual separation of such To-Be-Separated Patent as contemplated by Section 9.2(a). EpimAb shall coordinate with NEWCO with respect thereto in accordance with Section 9.3(c) below except that [***]. This Section 9.2(c) shall apply notwithstanding Section 9.3 below. For clarity, all To-Be-Separated Patents are Product Non-Specific Patents unless and until separated as contemplated by Section 9.2(a).

(d) [***]. If the Government Authority responsible for the Prosecution of Patents in a country (e.g., the USPTO in the US) [***] and, [***], shall [***].

9.3 Patent Prosecution.

(a) NEWCO shall have the first right to file, prosecute and maintain (“**Prosecute**”) all Product Specific Patents and Joint Product Specific Patents in the NEWCO Territory [***]. If reasonably requested by NEWCO, EpimAb shall assist in such Prosecution and [***] shall reimburse [***] for all expenses incurred by [***] to provide such assistance within [***] upon receipt of an invoice by [***]. For the avoidance of doubt, EpimAb shall have the sole right to Prosecute all Product Specific Patents and Joint Product Specific Patents in the EpimAb Territory [***].

(b) **Product Non-Specific Patents.** EpimAb shall have the sole right to Prosecute all Product Non-Specific Patents and Joint Product Non-Specific Patents worldwide [***]. If reasonably requested by EpimAb, NEWCO shall assist in such Prosecution and [***] shall reimburse [***] for all expenses incurred by [***] to provide such assistance within [***] upon receipt of an invoice by [***].

(c) **Coordination.** The Parties shall consult with each other and keep each other reasonably informed of the status of the Product-Specific Patents (including Joint Product Specific Patents) worldwide (including in the EpimAb Territory) and shall promptly provide the other Party with all material correspondence received from any patent authority in connection therewith. In addition, each Party shall promptly provide the other Party with drafts of all proposed material filings and correspondence to any patent authority in each Country such Party is responsible for with respect to the Product-Specific Patents (including Joint Product Specific Patents) for the other Party’s review and comment prior to submission. The responsible Party for Prosecution shall confer with the other Party and consider in good faith the other Party’s comments, provided that the other Party shall provide such comments within [***] (or a shorter period reasonably designated by the responsible Party if [***] is not practicable given the filing deadline) of receiving the draft filings and correspondences from the responsible Party.

(d) Step-in Rights.

(i) NEWCO shall promptly notify EpimAb of any decision to cease Prosecution of any Product Specific Patent (including any Joint Product Specific Patent) in any Country in the NEWCO Territory. NEWCO shall provide such notice at least [***] prior to any filing or payment due date, or any other due date that requires action in order to avoid loss of rights, in connection with such Patent in such Country. In such event, NEWCO shall permit EpimAb, [***], to continue the Prosecution of such Product Specific Patent in such Country in the NEWCO Territory. EpimAb's Prosecution of such Patent in such Country shall not change the Parties' respective rights and obligations under this Agreement with respect to such Patent other than those expressly set forth in this Section 9.3(d).

(e) **Assistance.** Each Party shall provide the other Party all reasonable assistance and cooperation in the Patent Prosecution efforts under this Section 9.3, including providing any necessary powers of attorney and executing any other required documents or instruments for such Prosecution.

(f) **Certain Prosecution Covenants.** EpimAb shall not introduce any Product Specific Claims into any Product Non-Specific Patents. NEWCO shall not introduce any Product Non-Specific Claims into any Product Specific Patents.

9.4 Patent Enforcement.

(a) Each Party shall promptly notify the other Party if it becomes aware of any alleged or threatened infringement by a Third Party of any of the Licensed Patents (including Joint Patents) that involves the development, manufacturing, or sale of any product Directed To both [***] and [***] in the Field anywhere in the world, and any related declaratory judgment, opposition, or similar action alleging the invalidity, unenforceability or non-infringement of any of the Licensed Patents in the Field anywhere in the world (collectively, "**Product Infringement**").

(b) As between the Parties, NEWCO shall have the first right (but not the obligation) to bring and control any legal action to enforce the Product-Specific Patent or Joint Product-Specific Patent against any Product Infringement in the Field in the NEWCO Territory, [***] as it reasonably determines appropriate after consultation with EpimAb. If NEWCO does not bring such legal action within [***] after the notice provided pursuant to Section 9.4(a), EpimAb shall have the right (but not the obligation) to bring and control any legal action to enforce such Product Specific Patent against such Product Infringement in the NEWCO Territory [***] as it reasonably determines appropriate.

(c) At the request and [***] of the Party bringing an action under Section 9.4(b) above, the other Party shall provide reasonable assistance in connection therewith, including by executing reasonably appropriate documents, cooperating in discovery and joining as a party to the action if required by Applicable Laws to pursue such action (e.g., for the Party bringing the action to establish legal standing). In connection with any such enforcement action, the enforcing Party shall keep the other Party reasonably informed on the status of such action and shall not enter into any settlement admitting the invalidity or non-infringement of, or otherwise impairing the other Party's rights in the Product-Specific Patents or Joint Product-Specific Patents without the prior written consent of the other Party. The non-enforcing Party shall be entitled to separate representation in such enforcement action by counsel of its own choice and [***].

(d) Any recoveries resulting from enforcement action brought under Section 9.4(b) above to enforce the Product-Specific Patent or Joint Product-Specific Patent against Product Infringement in the NEWCO Territory shall be first applied against payment of each Party's costs and expenses in connection therewith. Any such recoveries in excess of such costs and expenses shall be retained by [***]; provided that if [***].

(e) EpimAb shall have the exclusive right to enforce any Product Non-Specific Patent or Joint Product Non-Specific Patent against any infringement anywhere in the world, in each case [***] and as EpimAb reasonably determines appropriate, and [***].

9.5 Defense of Licensed Patents. In the event that a Party receives notice of any claim alleging the invalidity or unenforceability of any Licensed Patent (including any Joint Patent) in the Territory, such Party shall bring such claim to the attention of the other Party, including all relevant information related to such claim. The Parties, through the JSC, shall discuss such claim. Where such allegation is made in an opposition, reexamination, interference or other patent office proceeding or a declaratory judgement action, then the provisions of Section 9.3 shall apply. Where such allegation is made in a counterclaim to an enforcement action brought under Section 9.4, then the provisions of Section 9.4 shall apply. Each Party shall provide to the Party defending any such rights under this Section 9.5 all reasonable assistance in such enforcement, at such defending Party's request and expense. The defending Party shall keep the other Party reasonably informed of the status and progress of such efforts, and shall reasonably consider the other Party's comments on any such efforts. Without the prior written consent of the other Party (not to be unreasonably withheld, conditioned or delayed), neither Party shall enter into any settlement of any claim, suit or action that it defended under this Section 9.5 that admits the invalidity or unenforceability of any Licensed Patent, requires abandonment or limits the scope of any Licensed Patent or Joint Patent or would limit or restrict the ability of either Party to Develop, Manufacture or Commercialize any Product.

9.6 Infringement of Third Party Rights.

(a) Each Party shall notify the other Party of any allegations it receives from a Third Party that the Development, Manufacture or Commercialization of any Compound or Product in the Field anywhere in the world under this Agreement infringes the intellectual property rights of such Third Party. Such notice shall be provided promptly, but in no event after more than [***] following receipt of such allegations. Such notice shall include a copy of any summons or complaint (or the equivalent thereof) received regarding the foregoing. Thereafter, the Parties shall promptly meet to consider the claim or assertion and the appropriate course of action and may, if appropriate, agree on and enter into a "common interest agreement" wherein the Parties agree to their shared, mutual interest in the outcome of such potential dispute. Each Party shall assert and not waive the joint defense privilege with respect to all communications between the Parties.

(b) NEWCO shall be solely responsible for (and have the sole right to control) the defense of any such infringement claims brought against NEWCO, [***]; provided, however, that the provisions of Section 9.4 shall govern the right of NEWCO to assert a counterclaim of infringement of any Licensed Patents (including Joint Patents); and provided further that NEWCO shall not enter into any settlement, consent to judgement or other voluntary final disposition in connection with such defense action without EpimAb's consent (not to be unreasonably withheld, conditioned, or delayed) if such settlement consent to judgement or other voluntary final disposition requires any payment, admission or other specific performance from EpimAb (for clarity, the granting a sublicense otherwise permitted under this Agreement shall not be deemed specific performance from EpimAb). NEWCO shall keep EpimAb informed on the status of such defense action.

(c) EpimAb shall be solely responsible for (and have the sole right to control) the defense of any such infringement claims brought against EpimAb, [***]; provided, however, that the provisions of Section 9.4 shall govern the right of EpimAb to assert a counterclaim of infringement of any Licensed Patents. EpimAb shall keep NEWCO informed on the status of such defense action.

9.7 Patents Licensed From Third Parties. Each Party's rights under this Article 9 with respect to any Licensed Patent that is in-licensed by EpimAb from a Third Party under any Upstream License Agreement shall be subject to the rights of such Third Party under the Upstream License Agreement.

9.8 Patent Marking. NEWCO shall mark the Products sold in the NEWCO Territory with appropriate patent numbers in accordance with the applicable patent marking laws, and shall require all of its Affiliates and sublicensees to do the same.

9.9 Trademarks. EpimAb acknowledges that NEWCO may develop a global branding strategy for Products and adopt trademarks specific to the Product throughout the world (collectively the "**NEWCO Trademarks**"). EpimAb shall not use any NEWCO trademarks used by NEWCO in connection with the Products, whether in the EpimAb Territory or otherwise. For clarity, except as provided by this Section 9.9, nothing in this Agreement restricts EpimAb or the Oncology Third Party from establishing their own branding or trademarks for the Products in the EpimAb Territory.

9.10 IP Assignment upon [*].** Effective upon the occurrence of a [***], EpimAb and its Affiliates shall and hereby do assign to NEWCO all Product Specific Patents in the NEWCO Territory (including all Joint Product Specific Patents). EpimAb shall execute (and cause the execution of) and deliver such further instruments, documents and agreements, give such further written assurances, and take such further actions, in each case as NEWCO may reasonably request and at NEWCO's sole cost and expense, to carry into effect the intents and purposes of this assignment. For the purposes hereof, [***].

After a [***], Sections 9.3(c), 9.3(d), 9.4(a), 9.4(b), 9.5, or 9.8 shall no longer apply with respect to such assigned Product Specific Patents. For clarity, all Product Specific Patents assigned to NEWCO shall still be deemed Licensed Patents for all purposes of determining payments to EpimAb pursuant to Article 8 and for allocating recoveries under Section 9.4(d). Furthermore, notwithstanding any provision to the contrary, (a) a To-Be-Separated Patent that has not been separated in accordance with Section 9.2 shall not be deemed as a Product Specific Patent, and (b) once a To-Be-Separated Patent has been separated, then the resulting Product Specific Patent shall be deemed as a Product Specific Patent and assigned in accordance the preceding provisions of this Section 9.10.

ARTICLE 10 CONFIDENTIALITY

10.1 Confidentiality. Except to the extent expressly authorized by this Agreement or otherwise agreed in writing by the Parties, each Party agrees that, for the Term and for a period of [***] thereafter, it shall keep confidential and shall not publish or otherwise disclose and shall not use for any purpose other than as provided for in this Agreement (which includes the exercise of any rights or the performance of any obligations hereunder) any Confidential Information of the other Party pursuant to this Agreement.

10.2 Exceptions. The foregoing confidentiality and non-use obligations shall not apply to any portion of the Confidential Information that the receiving Party can demonstrate by competent written proof:

- (a) was already known to the receiving Party, other than under an obligation of confidentiality, at the time of disclosure by the other Party;
- (b) was generally available to the public or otherwise part of the public domain at the time of its disclosure to the receiving Party;
- (c) became generally available to the public or otherwise part of the public domain after its disclosure and other than through any act or omission of the receiving Party in breach of this Agreement;
- (d) is subsequently disclosed to the receiving Party by a Third Party who has a legal right to make such disclosure and is not under an obligation of confidentiality to the disclosing Party; or
- (e) is subsequently independently discovered or developed by the receiving Party without the aid, application, or use of the disclosing Party's Confidential Information, as evidenced by a contemporaneous writing.

10.3 Authorized Disclosure. Notwithstanding the obligations set forth in Section 10.1, a Party may disclose the other Party's Confidential Information, including the terms and conditions of this Agreement, to the extent:

(a) such disclosure is reasonably necessary: (i) for the filing or prosecution of Patents as contemplated by this Agreement; (ii) in connection with regulatory filings for Products; or (iii) for the prosecuting or defending litigation as contemplated by this Agreement;

(b) such disclosure is reasonably necessary: (i) to such Party's directors, attorneys, independent accountants or financial advisors for the sole purpose of enabling such directors, attorneys, independent accountants or financial advisors to provide advice to the receiving Party, provided that in each such case on the condition that such directors, attorneys, independent accountants and financial advisors are bound by confidentiality and non-use obligations consistent with those contained in this Agreement; or (ii) to actual or potential investors, acquirors, licensors, licensees, collaborators or other business or financial partners (including royalty financing partners) solely for the purpose of evaluating or carrying out an actual or potential investment, acquisition, license, collaboration, financing or other business transaction; provided that in each such case on the condition that such discloses are bound by confidentiality and non-use obligations consistent with those contained in the Agreement;

(c) such disclosure is required by judicial or administrative process, provided that in such event such Party shall promptly inform the other Party such required disclosure and provide the other Party an opportunity to challenge or limit the disclosure obligations. Confidential Information that is disclosed by judicial or administrative process shall remain otherwise subject to the confidentiality and non-use provisions of this Article 10, and the Party disclosing Confidential Information pursuant to law or court order shall take all steps reasonably necessary, including seeking of confidential treatment or a protective order to ensure the continued confidential treatment of such Confidential Information; or

(d) with respect to the terms and conditions of this Agreement and any Confidential Information relating to this Agreement or the transactions contemplated by this Agreement, such disclosure is required in the reasonable opinion of such Party's counsel, to comply with the rules and regulations promulgated by the United States Securities and Exchange Commission or the Nasdaq Stock Market or similar security regulatory authorities or stock market in other Countries, including as a result of any actions taken by a Party not in violation of this Agreement. If a Party intends to disclose this Agreement or any of its terms or other such information in accordance with this Section 10.3(d), such Party will, except where impracticable or not legally permitted, give reasonable advance notice to the other Party of such disclosure, provide a draft of the disclosure to the other Party reasonably in advance of such filing or disclosure for the other Party's review and comment. The non-disclosing Party will provide any comments as soon as practicable, and the disclosing Party will consider in good faith any timely comments provided by the non-disclosing Party. The disclosing Party shall seek confidential treatment of portions of this Agreement or such terms or information, as may be reasonably requested by the other Party in a timely manner.

10.4 Scientific Publication.

(a) Except to the extent required by Applicable Laws (or regulations promulgated by securities exchanges on which the applicable Party is listed), which shall be governed by Section 10.3(d) above, EpimAb shall, and shall cause its Affiliates and its or their licensees not to, publish any manuscripts, or give other forms of public disclosure such as abstracts and presentations (“**Publications**”), relating to the Compounds or Products, including the data and results of the Development of the Compounds or Products, without review and approval by NEWCO. Other than EpimAb’s proposed Publications set forth on **Schedule 10.4 (“Existing Publications”)** which shall be deemed provided to NEWCO as of the Effective Date, EpimAb shall, and shall cause its Affiliates or its or their licensees to, deliver to NEWCO for review a copy of any proposed scientific Publication relating to the Compounds or Products at least [***] before its intended submission for publication. NEWCO shall be afforded the opportunity to review and approve such Publication. NEWCO shall not object to (or require removal of any portion of) such publication except to the extent such publication discloses information concerning the activity of the Compounds or Products itself beyond the publication of clinical data and results or otherwise contains any Confidential Information. NEWCO may also delay the submission of the proposed Publication for an additional [***] as may be reasonably necessary to seek Patent protection for the information disclosed in such proposed Publication.

(b) Except to the extent required by Applicable Laws (or regulations promulgated by securities exchanges on which the applicable Party is listed), which shall be governed by Section 10.3(d) above, NEWCO shall, and shall cause its Affiliates and its or their sublicensees, not to (a) publish any Publications that include Confidential Information pertaining to the FIT-Ig Technology as well as the CD3 binding domains contained in a Compound, in each case, which are not specific to any Product or Compound, but are contained in the data and results of the Development of the Compounds or Products, without review and approval by EpimAb. Without limiting the foregoing sentence, NEWCO and its Affiliates and its or their sublicensees may freely publish any Publication related to the Compounds or Products that is limited to clinical, preclinical and/or manufacturing data, results and/or analyses, and does not contain further Compound or Product information (each a “**Pre-Approved Publication**”). NEWCO shall, and shall cause its Affiliates or its or their sublicensees to, deliver to EpimAb for review a copy of any proposed scientific Publication relating to the Compounds or Products that is not a Pre-Approved Publication at least [***] before its intended submission for publication. EpimAb shall be afforded the opportunity to review and approve such Publication during such [***] period. EpimAb shall not object to (or require removal of any portion of) such publication except to the extent such publication discloses information concerning the activity of the Compounds or Products itself beyond the publication of clinical, preclinical and/or manufacturing data, results and/or analyses. EpimAb may also delay the submission of any proposed Publication that is not a Pre-Approved Publication for an additional [***] as may be reasonably necessary to seek Patent protection for the information disclosed in such proposed Publication. NEWCO shall notify EpimAb promptly after publishing any Publication relating to any Compound or Product.

10.5 Publicity. The Parties have agreed on language of a joint press release announcing this Agreement, which is attached hereto as **Schedule 10.5** and shall include an entity name reasonably chosen by Newco, to be issued by the Parties promptly after the Effective Date. No Party shall use the name, trademark, trade name or logo of the other Party, its Affiliates or their respective employee(s) for publicity or promotional purposes, without the prior express written permission of the other Party, except as may be required by Applicable Laws.

10.6 Prior CDA. This Agreement supersedes the Mutual Confidential Disclosure Agreement between EpimAb Biotherapeutics Inc. and Foresite Capital Management, LLC, dated [***] (the “**Prior CDA**”) with respect to information disclosed thereunder. All information exchanged between the Parties under the Prior CDA shall be deemed Confidential Information of the disclosing Party and shall be subject to the terms of this Article 10. This Section 10.6 is without prejudice to any accrued rights under the Prior CDA and shall not be deemed to have released or discharged any accrued liabilities of any Party under the Prior CDA.

10.7 Equitable Relief. Each Party acknowledges that a breach of this Article 10 cannot reasonably or adequately be compensated in damages in an action at law and that such a breach shall cause the other Party irreparable injury and damage. By reason thereof, each Party agrees that the other Party shall be entitled, in addition to any other remedies it may have under this Agreement or otherwise, to preliminary and permanent injunctive and other equitable relief to prevent or curtail any breach of the obligations relating to Confidential Information set forth herein.

10.8 Attorney-Client Privilege. Neither Party is waiving, nor shall be deemed to have waived or diminished, any of its attorney work product protections, attorney-client privileges or similar protections and privileges or the like as a result of disclosing information pursuant to this Agreement, or any of its Confidential Information (including Confidential Information related to pending or threatened litigation) to the other Party, regardless of whether the disclosing Party has asserted, or is or may be entitled to assert, such privileges and protections. The Parties: (a) share a common legal and commercial interest in such disclosure that is subject to such privileges and protections; (b) are or may become joint defendants in proceedings to which the information covered by such protections and privileges relates; (c) intend that such privileges and protections remain intact should either Party become subject to any actual or threatened proceeding to which the disclosing Party’s Confidential Information covered by such protections and privileges relates; and (d) intend that after the Effective Date both the receiving Party and the disclosing Party shall have the right to assert such protections and privileges.

10.9 Restricted Information Sharing. Notwithstanding anything to the contrary: (a) nothing in this Agreement obligates EpimAb, its Affiliates or licensees, to disclose or provide access to any information to NEWCO, the JSC, or otherwise to the extent such disclosure or access would, in the reasonable opinion of EpimAb’s (or such Affiliate’s or licensee’s) outside counsel, violate an Applicable Law in the People’s Republic of China; and (b) nothing in this Agreement obligates NEWCO, its Affiliates or sublicensees to disclose or provide access to any information to EpimAb, the JSC, or otherwise to the extent such disclosure or access would, in the reasonable opinion of NEWCO’s (or such Affiliate’s or sublicensee’s) outside counsel, violate an Applicable Law in the United States of America.

ARTICLE 11
REPRESENTATIONS AND WARRANTIES

11.1 Representations and Warranties of Each Party. Each Party represents, warrants, and covenants (as applicable) to the other Party as of the Effective Date that:

(a) it is a company or corporation duly organized, validly existing, and in good standing under the laws of the jurisdiction in which it is incorporated, and has full corporate power and authority and the legal right to own and operate its property and assets and to carry on its business as it is now being conducted and as contemplated in this Agreement;

(b) it has the corporate power and authority and the legal right to enter into this Agreement and perform its obligations hereunder, it has taken all necessary corporate action on its part required to authorize the execution and delivery of the Agreement and the performance of its obligations hereunder, and this Agreement has been duly executed and delivered on behalf of such Party, and constitutes a legal, valid, and binding obligation of such Party that is enforceable against it in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors' rights and remedies generally;

(c) it is not a party to, and will not enter into during the Term, any agreement that would prevent it from granting the rights granted to the other Party under this Agreement or performing its obligations under the Agreement; and

(d) in the course of performing its obligations or exercising its rights under this Agreement, it shall comply with all Applicable Laws, including as applicable, cGMP, GCP, and GLP standards, and shall not employ or engage any person or entity who has been debarred by any Regulatory Authority, or, to such Party's knowledge, is the subject of debarment proceedings by a Regulatory Authority.

11.2 Representations and Warranties of EpimAb. EpimAb represents, warrants, and covenants (as applicable) to NEWCO that:

(a) as of the Effective Date, it has the right under the Licensed Technology to grant the licenses to NEWCO as purported to be granted under Section 2.1 of this Agreement;

(b) it has not, as of the Effective Date, granted, and will not grant during the Term, any license or other right under the Licensed Technology that is inconsistent with the license granted to NEWCO under Section 2.1;

(c) as of the Effective Date, **Schedule 1.46** includes all Patents Controlled by EpimAb as of the Effective Date that Cover the Primary Compound or any Product containing a Primary Compound;

(d) as of the Effective Date, neither EpimAb nor any of its Affiliates: (i) is aware of any written claim made against it asserting the invalidity, misuse, unregistrability, unenforceability or non-infringement of any Patent listed in **Schedule 1.46** other than patent office actions or the actions of any Regulatory Authority; and (ii) is aware of any written claim made against it challenging EpimAb's Control of such listed Patents or making any adverse claim of ownership of the rights of EpimAb to such listed Patents;

- (e) as of the Effective Date, the only Upstream License Agreement is the [***];
- (f) as of the Effective Date, except for the [***] and as set forth on **Schedule 11.2(f)**, no Product Specific Patents are licensed to EpimAb under any Upstream License Agreements;
- (g) as of the Effective Date, except with respect to the Oncology Clinical Trial in [***], EpimAb has not prepared, filed or obtained any INDs/CTAs, Marketing Approval Applications or any other regulatory documentation or regulatory licenses for any Products in any jurisdiction;
- (h) as of the Effective Date [***];
- (i) as of the Effective Date, neither EpimAb nor any of its Affiliates (or any of their personnel involved in the research, Development or Manufacture of any Compound or Product) is, or has been, debarred or disqualified by any Regulatory Authority;
- (j) as of the Effective Date [***];
- (k) as of the Effective Date [***]; and
- (l) as of the Effective Date [***].

11.3 Representations and Warranties of NEWCO. NEWCO represents, warrants, and covenants (as applicable) to EpimAb as of the Effective Date that:

- (a) it does not own or Control any Patent that claim or Cover any Compound or Product;
- (b) there is no pending or, to NEWCO's actual knowledge, threatened (in writing), adverse actions, claims, suits or proceedings against NEWCO or any of its Affiliate that involve any antitrust, anti-competition, anti-bribery or corruption violations or that may reasonably be expected to adversely affect NEWCO's ability to perform its obligations under this Agreement; and

(c) neither NEWCO nor any of its Affiliates is, or has been, debarred or disqualified by any Regulatory Authority.

11.4 NO OTHER WARRANTIES. EXCEPT AS EXPRESSLY STATED IN THIS AGREEMENT, NO REPRESENTATIONS OR WARRANTIES WHATSOEVER, WHETHER EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, OR NON-MISAPPROPRIATION OF THIRD PARTY INTELLECTUAL PROPERTY RIGHTS, ARE MADE OR GIVEN BY OR ON BEHALF OF A PARTY. ALL REPRESENTATIONS AND WARRANTIES, WHETHER ARISING BY OPERATION OF LAW OR OTHERWISE, ARE HEREBY EXPRESSLY EXCLUDED. NEWCO acknowledges and agrees that the Compounds and Products are the subject of ongoing research and development and that EpimAb cannot assure the safety, usefulness or successful Development or Commercialization of any Compound or Product.

ARTICLE 12 INDEMNIFICATION

12.1 Indemnification by NEWCO. NEWCO shall indemnify and hold harmless EpimAb, its Affiliates, and their directors, officers, employees and agents (individually and collectively, the “**EpimAb Indemnitee(s)**”) from and against all losses, liabilities, damages and expenses (including reasonable attorneys’ fees and costs) payable to Third Parties incurred in connection with any claims, demands, actions or other proceedings by any Third Party (individually and collectively, “**Losses**”) to the extent arising from:

(a) (i) the Development, Manufacture or Commercialization of any Product in the NEWCO Territory (ii) the Manufacture of any Product in the EpimAb Territory, if applicable, in each case (i) and (ii), by or on behalf of NEWCO or any of its Affiliates or sublicensees, including product liability claims relating to any Product in such territories;

(b) the [***], willful misconduct [***] of this Agreement by any NEWCO Indemnitee; or

(c) the actual or alleged breach of the [***] by NEWCO or its Affiliates or sublicensees, which breach occurs during the period where NEWCO remains a sublicensee under the [***];

except in each case, to the extent such Losses result from any activities set forth in Section 12.2 for which EpimAb is obligated to indemnify the NEWCO Indemnitee.

12.2 Indemnification by EpimAb. EpimAb shall indemnify and hold harmless NEWCO, its Affiliates and licensees, and their directors, officers, employees and agents (individually and collectively, the “**NEWCO Indemnitee(s)**”) from and against all Losses to the extent arising from:

(a) (i) the Development, Manufacture or Commercialization of any Product in the EpimAb Territory, (ii) the Development (including the Oncology Clinical Trial) or Manufacture of any Product in the NEWCO Territory, if applicable, by or on behalf of EpimAb or any of its Affiliates or licensees (other than NEWCO, its Affiliates and sublicensees), including product liability claims relating to any Product in such territories; or

(b) the [***], willful misconduct [***] of this Agreement by any EpimAb Indemnitee;

except in each case to the extent such Losses result from any activities set forth in Section 12.1 for which NEWCO is obligated to indemnify the EpimAb Indemnitee.

12.3 Indemnification Procedure. If either Party is seeking indemnification under Sections 12.1 or 12.2 (the “**Indemnified Party**”), it shall inform the other Party (the “**Indemnifying Party**”) of the claim giving rise to the obligation to indemnify pursuant to such Section within [***] after receiving notice of the claim (it being understood and agreed, however, that the failure or delay by an Indemnified Party to give such notice of a claim shall not affect the indemnification provided hereunder except to the extent the Indemnifying Party shall have been prejudiced as a result of such failure or delay to give notice). The Indemnifying Party shall have the right to assume the defense of any such claim for which it is obligated to indemnify the Indemnified Party. The Indemnified Party shall cooperate with the Indemnifying Party and the Indemnifying Party’s insurer as the Indemnifying Party may reasonably request, and at the Indemnifying Party’s cost and expense. The Indemnified Party shall have the right to participate, at its own expense and with counsel of its choice, in the defense of any claim that has been assumed by the Indemnifying Party. Neither Party shall have the obligation to indemnify the other Party in connection with any settlement made without the Indemnifying Party’s written consent, which consent shall not be unreasonably withheld or delayed. If the Parties cannot agree as to the application of Sections 12.1 or 12.2 as to any claim, pending resolution of the dispute pursuant to Article 14, the Parties may conduct separate defenses of such claims, with each Party retaining the right to claim indemnification from the other Party in accordance with Sections 12.1 or 12.2 upon resolution of the underlying claim.

12.4 Mitigation of Loss. Each Indemnified Party shall take and shall procure that its Affiliates take all such reasonable steps and action as are reasonably necessary or as the Indemnifying Party may reasonably require in order to mitigate any claims (or potential losses or damages) under this Article 12. Nothing in this Agreement shall or shall be deemed to relieve any Party of any common law or other duty to mitigate any losses incurred by it.

12.5 Limitation of Liability. NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY SPECIAL, CONSEQUENTIAL, INCIDENTAL, PUNITIVE, OR INDIRECT DAMAGES ARISING FROM OR RELATING TO ANY BREACH OF THIS AGREEMENT, REGARDLESS OF ANY NOTICE OF THE POSSIBILITY OF SUCH DAMAGES. NOTWITHSTANDING THE FOREGOING, NOTHING IN THIS SECTION 12.5 IS INTENDED TO OR SHALL LIMIT OR RESTRICT THE INDEMNIFICATION RIGHTS OR OBLIGATIONS UNDER SECTION 12.1 OR SECTION 12.2, OR [***].

12.6 Insurance. Each Party, at its own expense, shall maintain product liability and other appropriate insurance in an amount consistent with industry standards during the Term. Each Party shall promptly provide a certificate of insurance evidencing such coverage to the other Party upon such other Party's request.

ARTICLE 13 TERM AND TERMINATION

13.1 Term. The term of this Agreement shall commence upon the Effective Date and continue in full force and effect, on a Product-by-Product and Country-by-Country basis, until the expiration of the Royalty Term for such Product in such Country, unless earlier terminated as set forth in Section 13.2 below (the "**Term**"). Upon expiration (but not earlier termination) of the Royalty Term with respect to a particular Product in a particular Country, the license granted by EpimAb to NEWCO under Section 2.1 with respect to such Product in such Country shall become non-exclusive, fully paid-up, freely sublicensable (through multiple tiers), royalty-free, perpetual and irrevocable.

13.2 Termination.

(a) Termination by NEWCO for Convenience. At any time, NEWCO may terminate this Agreement in its entirety by providing written notice of termination to EpimAb, which notice includes an effective date of termination at least [***] after the date of the notice.

(b) Termination for Material Breach. Prior to a [***], if either Party believes that the other is in material breach of its material obligations hereunder or material breach of any material representation or warranty set forth in this Agreement, then the non-breaching Party may deliver notice of such breach to the other Party in a manner that clearly identifies such breach and that such Party is providing such notice in accordance with this Section 13.2(b). The allegedly breaching Party shall have [***] from the receipt of the notice to cure such breach or, if such breach cannot be cured within [***] and if the breaching Party prepares and uses reasonable efforts to follow a cure plan, up to [***]. If the breaching Party in good faith either disputes such material breach or, alternatively, does not dispute such material breach but disputes the failure to cure or remedy such material breach and provides written notice of that dispute to the non-breaching Party within the above time period, then (a) the matter will be addressed under the dispute resolution provisions in Article 14, (b) the relevant cure period will be tolled during the pendency of such dispute resolution proceeding and (c) the non-breaching Party cannot terminate this Agreement until (i) it has been determined under Article 14 that the breaching Party is in material breach of a material provision of this Agreement and (ii) such cure period expires without the material breach having been cured by the breaching Party. If the Party receiving notice of breach fails to cure that breach within the cure period set forth above (as may be tolled in accordance with the foregoing), then the Party originally delivering the notice of breach may terminate this Agreement in its entirety upon written notice to the other Party. Notwithstanding the foregoing, after the occurrence of a [***], the non-breaching Party may not terminate this Agreement in accordance with this Section 13.2(b), and the non-breaching Party's exclusive remedies for the breaching Party's breach shall be: [***]

[***].

(c) Termination for Insolvency. Each Party shall have the right to terminate this Agreement in its entirety immediately upon written notice to the other Party in the event that (i) such other Party files in any court or agency pursuant to any statute or regulation of any jurisdiction a petition in bankruptcy or insolvency or for reorganization or similar arrangement for the benefit of creditors or for the appointment of a receiver or trustee of such other Party or its assets, (ii) such other Party is declared judicially insolvent, or (iii) such other Party makes an assignment of substantially all of its assets for the benefit of its creditors.

(d) Termination for Patent Challenge. Except to the extent the following is unenforceable under the laws of a particular jurisdiction, EpimAb may terminate this Agreement in its entirety upon [***] written notice to NEWCO if NEWCO or its Affiliates or sublicensees, individually or in association with any other Person, commences a legal or administrative action challenging the patentability, validity, enforceability or scope of any Licensed Patents owned or Controlled by EpimAb anywhere in the world, provided that EpimAb will not have the right to terminate this Agreement under this Section 13.2(d) if (i) for any challenge by any sublicensee, NEWCO terminates such sublicense within [***] of EpimAb's notice to NEWCO under this Section 13.2(d); (ii) such challenge is dismissed within [***] of EpimAb's notice to NEWCO under this Section 13.2(d) and not thereafter continued; or (iii) such challenge is in response to a complaint alleging infringement of such Patent filed against NEWCO or any of its Affiliates or sublicensees.

13.3 Effect of Termination. Upon any termination of this Agreement:

(a) Licenses. All licenses and other rights granted by EpimAb to NEWCO under the Licensed Technology shall terminate. Notwithstanding the foregoing, any sublicenses granted by NEWCO shall survive if within [***] after EpimAb notifies such sublicensee of the termination of this Agreement, the relevant sublicensee agrees in writing to be bound by the terms of this Agreement as such terms apply to such sublicensee and become a direct licensee of EpimAb. If such sublicensee agrees to be bound in such manner (a "Surviving Sublicensee"): (a) such sublicensee shall only be responsible for any payments that become due as a result of such sublicensee's activities after the effective date of any such termination; and (b) notwithstanding anything to the contrary, unless and until the sublicense to a Surviving Sublicensee terminates, none of Sections 13.3(b)-(i) shall apply to the extent such provision would adversely affect such Surviving Sublicensee's Development, Manufacture, or Commercialization of any Product (as reasonably determined by such Surviving Sublicensee). The license granted by NEWCO to EpimAb under Section 2.7 shall continue. In addition, and notwithstanding Section 2.7, NEWCO hereby grants (but effective only upon termination of this Agreement and then only to the extent NEWCO has not prior to the effective date of termination granted conflicting rights to Surviving Sublicensees) to EpimAb an exclusive (even as to NEWCO and its Affiliates), fully paid, royalty-free, perpetual and irrevocable license, with the right to grant sublicenses through multiple tiers, under the NEWCO Product Technology to Develop, Manufacture, use, sell, offer for sale, import and otherwise Commercialize the Compounds and Products in the Field anywhere in the world.

(b) Regulatory Materials. NEWCO shall (and shall cause its Affiliates and sublicensees to), as instructed by EpimAb, either (i) if permitted by Applicable Laws, promptly transfer and assign to EpimAb or its designee all Regulatory Materials and Regulatory Approvals for Products that are held by NEWCO or its Affiliate or sublicensees other than Surviving Sublicensees, (ii) continue to hold any such Regulatory Materials and Regulatory Approvals for the sole benefit of EpimAb or its designee (in which case, NEWCO shall appoint EpimAb or its designee as the exclusive distributor (with the right to subcontract and appoint subdistributors) under such Regulatory Materials and Regulatory Approvals for Products in the NEWCO Territory, and also as its agent to interact with the applicable Regulatory Authority in the NEWCO Territory with respect to such Regulatory Materials and Regulatory Approvals), until such time EpimAb or its designee files its own Regulatory Materials and obtains its own Regulatory Approvals for Products in the NEWCO Territory; or (iii) terminate or withdraw any such Regulatory Materials and Regulatory Approvals. Upon EpimAb's request, NEWCO shall provide EpimAb with reasonable assistance and cooperation regarding any inquiries and correspondence with Regulatory Authorities relating to Products.

(c) Data. NEWCO shall (and shall cause its Affiliates and sublicensees to) promptly transfer and assign to EpimAb all data generated from the Development or Manufacturing of Products, including data from all Clinical Trials conducted by or on behalf of NEWCO, and its Affiliates, and all pharmacovigilance data (including all adverse event databases) relating to Products in the Territory.

(d) Trademarks. NEWCO shall (and shall cause its Affiliates and sublicensees to) promptly transfer and assign to EpimAb all NEWCO Trademarks (excluding corporate name or logos of NEWCO or its Affiliates).

(e) Inventory. EpimAb shall have the right (but not the obligation) to purchase from NEWCO any or all of the inventory of the Product held by NEWCO or its Affiliates or sublicensees as of the date of termination at a price equal to the price paid by NEWCO.

(f) Transition Assistance. NEWCO shall (and shall cause its Affiliates and sublicensees to) reasonably cooperate with EpimAb to facilitate orderly transition of the Development, Manufacture and Commercialization of the Products in the NEWCO Territory to EpimAb, including (i) introducing EpimAb to any Third Party vendors (including distributors) involved in activities to Develop, Manufacture, supply, promote, distribute, sell or otherwise Commercialize Products and reasonably cooperating with EpimAb to arrange to continue to provide such services for a reasonable time after termination; (ii) to the extent that NEWCO or its Affiliate or sublicensees (other than Surviving Sublicensees) is performing any activities described above in (i), reasonably cooperating with EpimAb to transfer such activities to EpimAb or its designee, and continuing to perform such activities on EpimAb's behalf for a reasonable time after termination until such transfer is completed, including continuing to Manufacture and supply Products to EpimAb at a reasonable price; and (iii) providing EpimAb with reasonable quantities of materials used or generated by NEWCO, and its Affiliates in the Development and Commercialization of Products in the NEWCO Territory, such as clinical brochures and promotional materials, or any chemical or biological materials (but not any Active Ingredients that are not Compounds), that were not received from EpimAb.

(g) **Ongoing Clinical Trials.** If at the time of such termination, any Clinical Trials for the Products are being conducted by or on behalf of NEWCO, or its Affiliates, then, at EpimAb's election on a trial-by-trial basis: (i) NEWCO shall (and shall cause its Affiliates and sublicensees to) fully cooperate with EpimAb to transfer the conduct of all such Clinical Trials to EpimAb, and EpimAb shall assume any and all liability and costs for such Clinical Trials after the effective date of such termination, provided that NEWCO shall continue to bear all costs and expenses incurred in connection with the conduct of such Clinical Trials until the earlier of the completion of such Clinical Trial or [***] after the effective date of such termination; or (ii) NEWCO shall (and shall cause its Affiliates and sublicensees (other than Surviving Sublicensees) to) at its own cost and expense, orderly wind down in compliance with Applicable Laws the conduct of any such Clinical Trial which is not assumed by EpimAb under clause (i).

(h) **Transition Cost.** Unless this Agreement is terminated by NEWCO pursuant to Section 13.2(a) or by EpimAb pursuant to Section 13.2(b) or 13.2(d), [***].

(i) **Return of Confidential Information.** NEWCO shall (and shall cause its Affiliates and sublicensees to) promptly return or destroy (at EpimAb's election) all tangible materials comprising, bearing or containing any Confidential Information of EpimAb that are in NEWCO's or its Affiliates' or sublicensees' possession or control.

13.4 Survival. Expiration or termination of this Agreement shall not relieve the Parties of any liability (including, without limitation, any payment obligation or liability for breach of this Agreement) accruing prior to such expiration or termination. Without limiting the foregoing, the following provisions shall survive the termination or expiration of this Agreement for any reason: Section 2.7, Section 8.9, Section 8.10, Section 9.1 (with respect to Inventions created prior to termination or expiration), Section 11.4, Section 12.1, Section 12.2, Section 12.3, Section 12.4, Section 12.5, Section 12.6, Section 13.3, Section 13.4, Section 13.5, Article 1, Article 10 (provided that Section 10.4 shall not apply to EpimAb's Publications), Article 14, and Article 15.

13.5 Termination Not Sole Remedy. Termination is not the sole remedy under this Agreement and, whether or not termination is effected and notwithstanding anything contained in this Agreement to the contrary, all other remedies shall remain available except as agreed to otherwise herein.

ARTICLE 14 DISPUTE RESOLUTION

14.1 Disputes. The Parties recognize that disputes as to certain matters may from time to time arise during the Term which relate to either Party's rights or obligations hereunder. It is the objective of the Parties to establish procedures to facilitate the resolution of disputes arising under this Agreement in an expedient manner by mutual cooperation and without resort to litigation. To accomplish this objective, the Parties agree to follow the procedures set forth in this Article 14 to resolve any controversy or claim arising out of, relating to or in connection with any provision of this Agreement, if and when a dispute arises under this Agreement.

14.2 Internal Resolution. With respect to all disputes arising between the Parties under this Agreement, including, without limitation, any alleged breach under this Agreement or any issue relating to the interpretation or application of this Agreement, but excluding any dispute that should be resolved by the JSC pursuant to Section 3.2(f) or Section 3.2(g), if the Parties are unable to resolve such dispute within [***] after such dispute is first identified by either Party in writing to the other, the Parties shall refer such dispute to the Executive Officers of the Parties for attempted resolution by good faith negotiations within [***] after such notice is received.

14.3 Binding Arbitration.

(a) If the Parties fail to resolve the dispute through escalation to the Executive Officers under Section 14.2, and a Party desires to pursue resolution of the dispute, the dispute shall be submitted by either Party for resolution in arbitration administered by [***].

(b) The arbitration shall be conducted by a panel of three arbitrators experienced in the pharmaceutical business: within [***] after initiation of arbitration, each Party shall select one person to act as arbitrator and the two Party-selected arbitrators shall select a third arbitrator (who shall be the chairperson of the arbitration panel) within [***] of their appointment. If the arbitrators selected by the Parties are unable or fail to agree upon the third arbitrator, the third arbitrator shall be appointed by [***]. If, however, the aggregate award sought by the Parties is less than [***] and equitable relief is not sought, the arbitration shall be conducted by a single arbitrator agreed by the Parties (or appointed by [***] if the Parties cannot agree).

(c) The seat and location of the arbitration shall be [***] and the language of the proceedings shall be English. The arbitral tribunal shall determine the dispute by applying the provisions of this Agreement and the governing law set forth in Section 15.5. The Parties agree that any award or decision made by the arbitral tribunal shall be final and binding upon them and may be enforced in the same manner as a judgment or order of a court of competent jurisdiction.

(d) By agreeing to arbitration, the Parties shall not deprive any court of its jurisdiction to issue, at the request of a Party, a pre-arbitral injunction, pre-arbitral attachment or other injunctive or equitable relief. Without prejudice to such equitable remedies in aid of arbitration as may be available under the jurisdiction of a competent court, the arbitral tribunal shall have full authority to grant equitable remedies and to award damages for the failure of any Party to the dispute to respect the arbitral tribunal's order to that effect.

(e) [***].

(f) Notwithstanding anything in this Section 14.3, in the event of a dispute with respect to the validity, scope, enforceability or ownership of any Patent or other intellectual property rights, and such dispute is not resolved in accordance with Section 14.2, such dispute shall not be submitted to an arbitration proceeding in accordance with this Section 14.3, unless otherwise agreed by the Parties in writing, and instead either Party may initiate litigation in a court of competent jurisdiction in any Country in which such rights apply.

ARTICLE 15 MISCELLANEOUS

15.1 Force Majeure. Neither Party shall be held liable to the other Party nor be deemed to have defaulted under or breached this Agreement for failure or delay in performing any obligation under this Agreement to the extent such failure or delay is caused by or results from causes beyond the reasonable control of the affected Party, including embargoes, war, acts of war (whether war be declared or not), insurrections, riots, pandemic, civil commotions, strikes, lockouts or other labor disturbances, fire, floods, or other acts of God or any other deity, or acts, omissions or delays in acting by any Governmental Authority. The affected Party shall notify the other Party of such force majeure circumstances as soon as reasonably practical, and shall promptly undertake all reasonable efforts necessary to cure such force majeure circumstances.

15.2 Assignment.

(a) Except as express permitted herein, this Agreement may not be assigned or otherwise transferred, nor may any right or obligation hereunder be assigned or transferred, by either Party without the prior written consent of the other Party. Any attempted assignment not in accordance with this Section 15.2 shall be null and void and of no legal effect. Any permitted assignee shall assume all assigned obligations of its assignor under this Agreement. The terms and conditions of this Agreement shall be binding upon, and shall inure to the benefit of, the Parties and their respected successors and permitted assigns.

(b) Notwithstanding the foregoing, either Party may, without consent of the other Party, assign this Agreement and its rights hereunder in whole or in part to an Affiliate of such Party, or in whole to its successor-in-interest in connection with a Change of Control transaction.

(c) Notwithstanding the foregoing, EpimAb may, without consent of NEWCO, sell to any Third Party EpimAb's interest in any payment (or portion thereof) from NEWCO under this Agreement and, upon written instruction from EpimAb and documentation evidencing the sale and confirming such sale was made pursuant to this Section 15.2(c), NEWCO will irrevocably remit such payments to such Third Party in lieu of EpimAb and such payments shall be deemed fully performed by NEWCO upon doing so. For clarity, the foregoing of this Section 15.2(c) does not permit an assignment of EpimAb's rights and neither permits a Third Party the right to enforce any obligation of EpimAb under this Agreement nor makes or allows such Third Party to be a third party beneficiary of any terms of this Agreement. For clarity, this Section 15.2(c) does not permit EpimAb to assign any rights to receive any information but this Section 15.2(c) does not restrict EpimAb from disclosing information as otherwise permitted by this Agreement.

15.3 Severability. If any one or more of the provisions contained in this Agreement is held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby, unless the absence of the invalidated provision(s) adversely affects the substantive rights of the Parties. The Parties shall in such an instance use their best efforts to replace the invalid, illegal or unenforceable provision(s) with valid, legal and enforceable provision(s) which, insofar as practical, implement the purposes of this Agreement.

15.4 Notices. All notices which are required or permitted hereunder shall be in writing and sufficient if delivered personally, sent by facsimile (and promptly confirmed by personal delivery, registered or certified mail or overnight courier), sent by nationally-recognized overnight courier or sent by registered or certified mail, postage prepaid, return receipt requested, addressed as follows:

If to EpimAb:

[**]

If to NEWCO:

[**]

or to such other address as the Party to whom notice is to be given may have furnished to the other Party in writing in accordance herewith. Any such notice shall be deemed to have been given: (a) when delivered if personally delivered or sent by facsimile on [**]; (b) on the [**] after dispatch if sent by internationally-recognized overnight courier; or (c) on the [**] following the date of mailing if sent by mail.

15.5 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without reference to any rules of conflict of laws and excluding the United Nations Convention on Contracts for the International Sales of Goods.

15.6 Foreign Corrupt Practices Act Compliance.

(a) **Compliance with FCPA.** The U.S. government imposes and enforces prohibitions on the payment or transfer of anything of value to governments, government officials, political parties or political party officials (or relatives or associates of such officials) (“**FCPA Covered Person**”) for the purpose of illegally influencing them, whether directly or indirectly, to obtain or retain business. This U.S. law is referred to as the Foreign Corrupt Practices Act (“**FCPA**”), and it can have application to conduct of a U.S. corporation’s foreign subsidiaries, employees, agents and distributors. A summary of the law and related information can be found at <http://www.justice.gov/criminal/fraud/fcpa>. By signing this Agreement, NEWCO represents, warrants and covenants (as applicable) to EpimAb that:

- (i) it is familiar with the provisions and restrictions contained in the OECD Convention and FCPA;
- (ii) it shall comply with the FCPA in the Development and Commercialization of Products under this Agreement;
- (iii) it shall not, in the course of its performance under the Agreement, offer, promise, give, demand, seek or accept, directly or indirectly, any gift or payment, consideration or benefit in kind to any FCPA Covered Person that would or could be construed as an illegal or corrupt practice;
- (iv) it is not an FCPA Covered Person or affiliated with any FCPA Covered Person; and
- (v) it shall immediately notify EpimAb of any attempt by any FCPA Covered Person to directly or indirectly solicit, ask for, or attempt to extort anything of value from NEWCO, its Affiliates or sublicensees, and shall refuse any such solicitation, request or extortionate demand except a facilitating payment as expressly permitted under the FCPA.

(b) **No Action.** In no event shall any Party be obligated under the Agreement to take any action or omit to take any action that such Party believes, in good faith, would cause it to be in violation of any Applicable Laws and regulations, including the anti-bribery laws referenced in this Section 15.6.

(c) **Audit.** In the event that EpimAb has reason to believe that a violation of any FCPA regulations by NEWCO has occurred or may occur, EpimAb shall have the right to select an independent Third Party to conduct an audit of NEWCO and review relevant books and records of NEWCO, to satisfy itself that no such violation has occurred. Unless otherwise required under Applicable Laws and regulations or by order of a competent court or regulatory authority, EpimAb shall ensure that the selected independent Third Party shall keep confidential all audited matters and the results of the audit. EpimAb does reserve the right to disclose to the U.S. or foreign government, its agencies or any other government or non-government party, information relating to a possible violation by NEWCO of any violation of the FCPA.

15.7 Entire Agreement; Amendments. The Agreement, together with the Exhibits and Schedules attached hereto, contains the entire understanding of the Parties with respect to the subject matter hereof. All express or implied agreements and understandings, either oral or written, with regard to the subject matter hereof (including the licenses granted hereunder) are superseded by the terms of this Agreement. Neither Party is relying on any representation, promise, nor warranty not expressly set forth in this Agreement. This Agreement may be amended, or any term hereof modified, only by a written instrument duly executed by authorized representatives of both Parties hereto.

15.8 Headings. The captions to the several Sections hereof are not a part of this Agreement, but are merely for convenience to assist in locating and reading the Sections of this Agreement.

15.9 Independent Contractors. It is expressly agreed that EpimAb and NEWCO shall be independent contractors and that the relationship between the two Parties shall not constitute a partnership, joint venture or agency. Neither EpimAb nor NEWCO shall have the authority to make any statements, representations or commitments of any kind, or to take any action, which shall be binding on the other Party, without the prior written consent of the other Party.

15.10 Waiver. The waiver by either Party of any right hereunder, or the failure of the other Party to perform, or a breach by the other Party, shall not be deemed a waiver of any other right hereunder or of any other breach or failure by such other Party whether of a similar nature or otherwise.

15.11 Cumulative Remedies. No remedy referred to in this Agreement is intended to be exclusive, but each shall be cumulative and in addition to any other remedy referred to in this Agreement or otherwise available under law.

15.12 Waiver of Rule of Construction. Each Party has had the opportunity to consult with counsel in connection with the review, drafting and negotiation of this Agreement. Accordingly, the rule of construction that any ambiguity in this Agreement shall be construed against the drafting Party shall not apply.

15.13 Business Day Requirements. In the event that any notice or other action or omission is required to be taken by a Party under this Agreement on a day that is not a Business Day then such notice or other action or omission shall be deemed to be required to be taken on the next occurring Business Day.

15.14 Further Actions. Each Party agrees to execute, acknowledge and deliver such further instruments, and to do all such other acts, as necessary or appropriate in order to carry out the purposes and intent of this Agreement.

15.15 Construction. Except where the context expressly requires otherwise, (a) the use of any gender herein shall be deemed to encompass references to either or both genders, and the use of the singular shall be deemed to include the plural (and vice versa), (b) the words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation", (c) the word "will" shall be construed to have the same meaning and effect as the word "shall", (d) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (e) any reference herein to any person shall be construed to include the person's successors and assigns, (f) the words "herein", "hereof" and "hereunder", and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (g) all references herein to Sections, Schedules, or Exhibits shall be construed to refer to Sections, Schedules or Exhibits of this Agreement, and references to this Agreement include all Schedules and Exhibits hereto, (h) the word "notice" means notice in writing (whether or not specifically stated) and shall include notices, consents, approvals and other written communications contemplated under this Agreement, (i) provisions that require that a Party, the Parties or any committee hereunder "agree", "consent" or "approve" or the like shall require that such agreement, consent or approval be specific and in writing, whether by written agreement, letter, approved minutes or otherwise (but excluding e-mail and instant messaging), (j) references to any specific law, rule or regulation, or Section, section or other division thereof, shall be deemed to include the then-current amendments thereto or any replacement or successor law, rule or regulation thereof, and (k) the term "or" shall be interpreted in the inclusive sense commonly associated with the term "and/or."

15.16 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Each Party shall be entitled to rely on the delivery of executed counterpart signature pages of this Agreement by means of industry standard electronic signature software or by exchanging executed signature pages in .pdf format via e-mail, and such electronic copies shall be legally effective to create a valid and binding agreement between the Parties.

{Signature Page Follows}

IN WITNESS WHEREOF, the Parties intending to be bound have caused this License and Collaboration Agreement to be executed by their duly authorized representatives as of the Effective Date.

SHANGHAI EPIMAB BIOTHERAPEUTICS CO., LTD.

By: /s/ Chengbin Wu
Name: Chengbin Wu
Title: CEO
Date: 08/03/2024

FL2024-005, Inc.

By: /s/ Vikram Bajaj
Name: Vikram Bajaj
Title: President
Date: August 5, 2024

List of Schedules

Schedule 1.46:	Existing Licensed Patents
Schedule 1.68:	Primary Compound Structure
Schedule 1.71:	Existing Product Non-Specific Patents
Schedule 1.73:	Existing Product Specific Patents
Schedule 1.81:	Upstream License Agreements
Schedule 2.9:	Licensed Know-How Technology Transfer
Schedule 4.1(a):	[***]
Schedule 8.1:	Equity Issuance
Schedule 10.4:	Existing Publications
Schedule 10.5:	Press Release
Schedule 11.2(f):	Existing In-Licensed Product Specific Patents

Schedule 1.46
Existing Licensed Patents

Schedule 1.71
Existing Product Non-Specific Patents

Schedule 1.81
Upstream License Agreements

Schedule 2.9
Licensed Know-How Technology Transfer

[***]

[**]

EpimAb Biotherapeutics and [*] Announce Strategic Collaboration to Develop EMB-06, a BCMA×CD3 Bispecific Antibody**

Shanghai/San Diego, [*], 2024** - EpimAb Biotherapeutics, a clinical stage biopharmaceutical company specializing in the discovery and development of multi-specific antibodies for diseases with high unmet need, and [***], a clinical stage company incubated by Foresite Labs and backed by Foresite Capital, Qiming Venture Partners, Samsara Biocapital, and Mirae Asset Management, announced today it has entered into a license agreement for EpimAb's BCMA-targeting T-cell engager (TCE) EMB-06.

Under this agreement, EpimAb will grant [***] the exclusive rights to develop and commercialize EMB-06 outside of Greater China (mainland China, Hong Kong, Macau and Taiwan), while EpimAb shall retain the rights to EMB-06 in Greater China. EpimAb will receive total upfront considerations of \$60m in cash and equity of [***], and will be eligible to receive up to \$575 million development, regulatory and commercial milestones, plus royalties on net sales.

"EpimAb is excited to enter into this partnership with [***] on EMB-06, which is well positioned to realize the potential of EMB-06," said Dr. Chengbin Wu, CEO and founder of EpimAb. "EMB-06 is the first candidate developed with our proprietary T-cell engager platform and has shown promising clinical activity when evaluated in patients with multiple myeloma. We look forward to evaluating the potential of EMB-06 in autoimmune diseases."

"Emerging clinical data using B-cell depletion in autoimmune diseases has shown compelling results," said Michael Rome, managing director at Foresite Capital and lead investor of [***]. "EMB-06 is a promising clinical asset and we look forward to building a leading company focused on T-cell engagers for autoimmune diseases."

EMB-06 is the first TCE developed within EpimAb's T-cell engager platform, which combines EpimAb's proprietary FIT-Ig bispecific platform and CD3 binder panel, and EpimAb's in-house discovery and antibody engineering expertise. This allows EpimAb to quickly generate and screen a suite of engagers in the discovery stage for diseases of interest, and advance TCE candidates that could provide the optimal efficacy and safety profile into the pre-IND and clinical stages.

About EpimAb Biotherapeutics, Inc.

EpimAb Biotherapeutics is a clinical-stage biopharmaceutical company specializing in the development of multi-specific antibodies. Utilizing a broad range of in-house research and technology capabilities, including the proprietary FIT-Ig® (Fabs-In-Tandem Immunoglobulin) and MAT-Fab (Monovalent Asymmetric Tandem Fab) bispecific platform, EpimAb is generating and globally advancing a unique pipeline of transformative preclinical and clinical assets that aim to benefit cancer patients. For further information, please visit: www.epimab.com.

About [*]**

[***] was formed in 2024 with a focus on innovative therapies to address immunology and inflammation associated diseases. The company has been incubated by Foresite Labs, an incubation platform led by an experienced team of scientists, engineers, and operators who believe that the tools of data science, when applied with scientific rigor, will greatly accelerate scientific discovery and the development of new products and services that benefit patients. [***] is backed by Foresite Capital, Qiming Venture Partners, Samsara Biocapital, and Mirae Asset Management.

About Foresite Labs

Foresite Labs is a center for entrepreneurial innovation at the nexus of data science and healthcare. Based in San Francisco and Boston, Foresite Labs partners with next generation healthcare entrepreneurs to launch life sciences and healthcare companies that use the tools of data science to solve our greatest unmet medical needs. For more information, please visit www.foresitelabs.com.

EpimAb Biotherapeutics Contact**Investor Contact**

Yuan Wang, Director of Investor Relations

Direct: +86-21-61951011

IR@epimab.com

BD Contact

Dr. Jason Tang, BD Director

Direct: +86-21-61951014

yesheng.tang@epimab.com

[*] Contact**

Kayla Abbassi

kaylaa@vsc.co

(562) 412-2038

Schedule 11.2(f)
Existing In-Licensed Product Specific Patents

OFFICE LEASE AGREEMENT
BETWEEN
PACIFIC NORTH COURT HOLDINGS, L.P.
AS LANDLORD
AND
CANDID THERAPEUTICS, INC.
AS TENANT

**STANDARD FORM
MODIFIED GROSS OFFICE LEASE**

This Standard Form Modified Gross Office Lease ("Lease") is entered into effective as of June 27, 2024, between PACIFIC NORTH COURT HOLDINGS, L.P., a California limited partnership ("Landlord"), and CANDID THERAPEUTICS, INC., a Delaware corporation ("Tenant"), who agree as follows:

1. Agreement to Let. Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, upon all of the terms, provisions, and conditions contained in this Lease, (i) those certain Premises described in the Principal Lease Provisions below, consisting of a portion of that certain Building described in the Principal Lease Provisions below, which is in turn a part of the Project (as described in the Principal Lease Provisions below), along with (ii) the non-exclusive right to use, in common with Landlord, Landlord's invitees and licensees, and the other tenants and users of space within the Project, those portions of the Project intended for use by, or benefiting, tenants of the Project in common including, without limitation, the landscaped areas, passageways, walkways, hallways, elevators, parking areas, and driveways of the Building and the Project, but excluding all interior areas of the other buildings in the Project other than the Building (collectively, the "Common Areas"). Notwithstanding anything contained herein to the contrary, this Lease confers no rights to Tenant regarding the roof, exterior walls, or utility raceways of the Building, nor rights to any other building in the Project, nor with regard to either the subsurface of the land below the ground level of the Project or with regard to the air space above the ceiling of the Premises; provided, however, that Tenant shall have the limited right to access systems and equipment exclusively serving the Premises (for which Tenant has maintenance and repair responsibilities pursuant to Paragraph 10.1, below) that may be located on the roof, in exterior or demising walls, in utility raceways, in the airspace above the ceiling of the Premises, or in any other portion of the Building or the Common Areas for the sole purpose of maintaining, repairing, and replacing such systems and equipment, in all cases subject to the terms of this Lease.

2. Principal Lease Provisions. The following are the Principal Lease Provisions of this Lease. Other portions of this Lease explain and describe these Principal Lease Provisions in more detail and should be read in conjunction with this Paragraph. In the event of any conflict between the Principal Lease Provisions and the other portions of this Lease, the Principal Lease Provisions will control. (Terms shown in quotations are defined terms used elsewhere in this Lease)

2.1 "Project": That certain office project, commonly referred to as Torrey Reserve, in San Diego, California, as more particularly depicted on the attached Exhibit "A".

2.2 "Building": That certain building within the Project as designated on the attached Exhibit "A", sometimes referred to as Torrey Reserve North Court II, whose mailing address is 11622 El Camino Real, San Diego, California 92130.

2.3 "Premises": Suite 150; consisting of a portion of the 1st floor of the Building, as more particularly described on the attached Exhibit "B".

2.4 Area of the Premises: Approximately 8,335 Rentable Square Feet of space. The term "Rentable Square Feet", "Usable Square Footage", and similar terms dealing with Rentable or Usable means of describing measurements of square footages, will have the meanings of such term adopted by the Building Owners and Managers Association International (relative to *multi-tenant* floors). The Premises are agreed for all purposes to contain the Rentable Square Footage stated above, regardless of minor variations.

2.5 "Initial Lease Term": Four (4) years and two (2) months plus any additional days required for the Initial Expiration Date to occur on the last day of a month as set forth in Paragraph 2.5.2, below, beginning as of the Lease Commencement Date and ending as of the Initial Expiration Date.

2.5.1 "Lease Commencement Date": July 15, 2024.

2.5.2 "Initial Expiration Date": That date which is four (4) years and two (2) months (plus, if such date is not the final day of a calendar month, however many days are left in the final calendar month of the Term) after the Lease Commencement Date.

2.5.3 Extension Rights. One (1) Option to Extend for a period of two (2) years subject to the terms and conditions set forth in Paragraph 3.2, below.

2.6 “Basic Monthly Rent”: \$5.50 per Rentable Square Foot, net of electricity and other utilities, subject to adjustment pursuant to attached Addendum No. 1. Basic Monthly Rent will always be due and payable on or before the first day of the applicable month, except that the first month’s Basic Monthly Rent will be due and payable upon the date of Landlord’s execution of this Lease.

2.7 “Rent Commencement Date”: The Lease Commencement Date.

2.8 “Security Deposit”: \$51,596.14. Tenant’s Security Deposit—which is due and payable on the date of Tenant’s execution of this Lease—does not constitute last month’s rent. Last month’s rent must be separately paid by Tenant on or before the first day of the last month of the Term. If Tenant exercises any Option to Extend (as defined below) contained herein, then as a condition precedent to the effectiveness of Tenant’s exercise of such Option to Extend, Tenant shall pay to Landlord an amount equal to the difference between the Basic Monthly Rent for the last year of such Extension Term (as defined below) and the amount of the Security Deposit then held by Landlord; which additional amount will be added to, and constitute a part of, the Security Deposit from that point forward.

2.9 “Base Year”: Calendar year 2024.

2.10 Address for Landlord:

Pacific North Court Holdings, L.P.
c/o American Assets Trust Management, LLC
3420 Carmel Mountain Road, Suite 100
San Diego, CA 92121
Attn: Property Management (Office)

2.11 Addresses for Tenant:

Legal Notices Addresses
(Prior to Occupancy)
6262 Belmont Trail Ct.
San Diego, CA 92130
(Following Occupancy)

At the Premises

2.12 “Permitted Use”: The Premises shall be used for general office purposes, in accordance with all applicable Laws, statutes, ordinances, and regulations and the provisions of this Lease, and for no other use.

2.13 Building Standard Operating Hours:

Monday through Friday: 7:00 a.m. - 6:00 p.m.
Saturday: 9:00 a.m. - 1:00 p.m.
(excluding Sundays and any local, state, and federal holidays)

2.14 Participating Brokers:

Landlord’s: CBRE, Inc.
Tenant’s: Jones Lang LaSalle, Inc.

2.15 Initial Payment Amounts: \$97,438.64 (which represents the Security Deposit of \$51,596.14, plus the first month’s Basic Monthly Rent of \$45,842.50) is payable on the date Tenant executes this Lease.

3. Term.

3.1 Description of Term. The term of this Lease (“Term”) shall commence on the “Lease Commencement Date”, and shall expire on the “Initial Expiration Date”, subject to (i) any extension rights described in Paragraph 3.2, below, and (ii) earlier termination by Landlord, as provided in this Lease. The term “Expiration Date”, as used in this Lease, shall mean the Initial Expiration Date, any earlier date upon which this Lease is terminated by Landlord, as provided below, or if the Term is extended pursuant to Paragraph 3.2, below, then the expiration date of any exercised Extension Term.

3.2 Extension Rights. Tenant shall, subject to all of the provisions of this Paragraph 3.2 (including all subparagraphs hereof), have one (1) option to extend the Term (the "Option to Extend") for an additional term of two (2) years (the "Extension Term"), provided Tenant or a Permitted Transferee is in occupancy 90% of the Premises at the time of exercise of the Option to Extend and Tenant gives Landlord written notice via overnight nationally-recognized courier (such as FedEx or UPS), with signature acknowledgement by recipient required, of its election to exercise such Option to Extend no less than 10 months and no more than 12 months prior to the then-applicable Expiration Date of the Term. Such notice will constitute Tenant's binding irrevocable election to extend the Term pursuant to this Paragraph 3.2 and may not subsequently be revoked by Tenant except as provided below. Time is of the essence with respect to the timing of such requirement to give notice to Landlord.

3.2.1 Restrictions on Transferability of Option. The Option to Extend is personal to the Tenant originally named in this Lease or any Permitted Transferee (as defined below) and may not be exercised by anyone other than such originally named Tenant or a Permitted Transferee.

3.2.2 Conditions Terminating Tenant's Rights to Exercise Option. Tenant shall not have the right to exercise the Option to Extend, notwithstanding anything set forth above to the contrary: (a) during any period of time commencing from the date Landlord gives to Tenant a written notice that Tenant is in default under any provision of this Lease and continuing until the default alleged in said notice is cured; or (b) during the period of time commencing on the day after a monetary obligation to Landlord is due from Tenant and unpaid (without any necessity for notice thereof to Tenant) and continuing until the obligation is paid. The period of time within which the Option to Extend may be exercised shall not be extended or lengthened by reason of Tenant's inability to exercise the Option to Extend because of the foregoing provisions of this Paragraph 3.2.2, even if the effect thereof is to eliminate Tenant's right to exercise the Option to Extend.

3.2.3 Conditions Terminating Tenant's Option Rights. All rights with respect to the Option to Extend (including rights as to subsequent Extension Terms, if any) shall terminate and be of no further force or effect even after Tenant's due and timely exercise of the Option to Extend, if, after such exercise, but prior to the commencement of the Extension Term, (a) Tenant fails to pay to Landlord a monetary obligation of Tenant for a period of 30 days after such obligation became due (without imposing any obligation on the part of Landlord to give notice thereof to Tenant); (b) Tenant fails to cure a non-monetary default within 30 days after the date the Landlord gives notice to Tenant of such default; (c) Landlord gives to Tenant two or more notices of default or two or more late charges become payable for any monetary defaults, whether or not such defaults are cured or (d) Tenant assigns this Lease or sublets all or any portion of the Premises other than to a Permitted Transferee.

3.2.4 Terms and Conditions of Extension of Term. If Tenant duly and timely exercises the Option to Extend for an Extension Term, then this Lease shall remain in full force and effect for such additional two (2) year period, except that the Basic Monthly Rent will adjust as of the first day of the first Extension Term such that for the first year of the first Extension Term the Basic Monthly Rent shall be equal to the then prevailing base rental rate (ignoring tenant improvement and similar refurbishment or construction allowances, free rent periods and other tenant benefits/concessions typically associated with a renewal lease—it being acknowledged that the Option to Extend reflects Tenant's negotiated right to defer its decision whether to initially lease the Premises for such longer period of time, as opposed to Tenant's right to enter into a new lease) for renewal leases of comparable Class A office space, including, without limitation, comparable size, quality, views, building signage, project amenities (i.e., staffed fitness center, conference center, daycare center and multiple food and beverage offerings) in the Del Mar Heights submarket, as projected for the first day of the applicable Extension Term and determined pursuant to Paragraph 3.2.5, below (the "Then-Prevailing Rate").

3.2.5 Determination of Then-Prevailing Rate. If Tenant properly exercises the Option to Extend for an Extension Term, then Landlord shall, subject to the terms and conditions set forth in this Paragraph 3.2, within 15 business days after receipt of Tenant's Option Exercise Notice, provide Tenant with written notice of the Then-Prevailing Rate and the calculation of the new Basic Monthly Rent to be effective during the first year of the Extension Term. Tenant shall have 10 business days from the date of Landlord's notice in which to (i) accept the Landlord's determination of the Then-Prevailing Rate, or (ii) withdraw its notice to exercise the Option to Extend, in which case the Lease shall terminate as of the then-current Expiration Date. If Tenant fails to notify Landlord, in writing, of its disagreement with Landlord's determination of the Then-Prevailing Rate within such 10 business day period, then Tenant will be deemed to have accepted Landlord's determination and Landlord's determination shall be binding on both parties.

4. Delivery of Possession.

4.1 Delivery Requirements. On or before the Lease Commencement Date, Landlord, at its cost, shall have Substantially Completed the work, if any, required to be completed by Landlord prior to the tender of possession of the Premises to Tenant, as described in Exhibit "C" to this Lease ("Landlord's Work") and shall tender possession of the Premises to Tenant (subject to Landlord's reserved rights hereunder and Landlord's right to continue the completion of Landlord's Work without material interference by Tenant). Landlord's tender of possession of the Premises shall consist of Landlord's notification (which notification may be telephonic, by written notice, or by electronic transmission—such as by facsimile or email) that possession of the Premises is then available to Tenant, and instructing Tenant that Tenant may obtain the keys to the Premises from Landlord's offices. Tenant's refusal to accept such tender (or avoidance thereof) shall not affect the Lease Commencement Date or delay the Rent Commencement Date and such dates will be calculated as if no such refusal or avoidance had occurred. Pursuant to the provisions of attached Exhibit "C", following the Lease Commencement Date, Landlord shall provide Tenant with a factually accurate "Confirmation of Lease Terms" (herein so called) written memorandum in the form of attached hereto as Exhibit "H"; provided, however, that any failure by Landlord to provide the Confirmation of Lease Terms shall not affect the validity or enforceability of this Lease or any of the provisions hereof. Tenant shall execute and return to Landlord the Confirmation of Lease Terms memorandum within 10 days after its submittal by Landlord to Tenant. Failure by Tenant to execute the Confirmation of Lease Terms memorandum shall not amend or in any way affect the terms thereof, but shall be deemed as Tenant's final and conclusive acceptance of the terms of the Confirmation of Lease Terms.

4.2 Definition of Substantial Completion. For purposes of this Lease, the term "Substantially Complete" (and its grammatical variations, such as Substantial Completion) when used with reference to Landlord's Work, will mean that Landlord's Work has been completed to such an extent that Tenant can commence the work, if any, to be undertaken by Tenant, as described in Exhibit "C" to this Lease (the "Tenant's Work"), without material delay or interference due to the completion of Landlord's Work, or if no such Tenant's Work is to be undertaken, then such term will mean that Landlord's Work has been completed to such an extent that the Landlord's Work can be finally completed within 60 days and without material interference to Tenant's occupancy and use of the Premises.

4.3 Final Completion. Except for any items set forth on a written, detailed "punch-list" of excepted items delivered to Landlord upon the Lease Commencement Date, Tenant shall, as of the Lease Commencement Date, be deemed to have (i) thoroughly inspected the Premises, and determined that, to the best of Tenant's knowledge, the Premises comply with all applicable Laws and ordinances, and that the Premises are in first-class condition and repair, (ii) acknowledged that Landlord's Work has been Substantially Completed, (iii) accepted the Premises in its then as-is condition with no right to require Landlord to perform any additional work therein, except as set forth on the punch list or as specified to be completed after the Lease Commencement Date on Exhibit "C", and (iv) waived any express or implied warranties regarding the condition of the Premises, including any implied warranties of fitness for a particular purpose or habitability, suitability, merchantability, quality or condition.

5. Use of Premises and Common Areas.

5.1 Permitted Use of Premises. Tenant may use the Premises for the Permitted Use specified in the Principal Lease Provisions and for no other use without Landlord's consent. Any change or deviation in the Permitted Use will require Landlord's prior written consent, which consent may be granted or withheld in Landlord's reasonable discretion.

5.2 Compliance with Laws. Landlord covenants that the Premises will comply with the Americans With Disabilities Act of 1990, as amended (42 U.S.C. 12181 et seq.) (the "ADA") and all other applicable federal, state and local laws, statutes, ordinances, or other governmental rules, regulations or requirements (collectively, together with the ADA, "Laws") as of the Lease Commencement Date. After the Lease Commencement Date, Tenant shall comply with all Laws concerning the Premises and/or Tenant's use of the Premises. Such obligation to comply with Laws shall include without limitation compliance with the ADA and the California Unruh Civil Rights Act. In addition to the foregoing, if Tenant's particular use of the Premises (including the construction or installation of Tenant's Work, Alterations, as defined below) or any modifications to Tenant's use of the Premises or Project results in the need for modifications or alterations to any other portion of the Project (including but not limited to the Common Areas of the Project) in order to comply with the ADA or other applicable Laws, then Tenant shall

additionally be responsible, upon demand, for the cost of such modifications and alterations plus a supervisory fee of 10% of such cost payable to Landlord. Tenant acknowledges and agrees that it has reviewed the CASp Inspection Disclosure and Acknowledgment attached to this Lease as Exhibit "F", and California Civil Code Section 1938, attached thereto and incorporated herein, at least 48 hours prior to the execution of this Lease. Tenant shall indemnify, defend (with counsel reasonably satisfactory to Landlord), and hold Landlord (and its partners, members, shareholders, directors, officers, employees, agents, assigns, and any successors to Landlord's interest in the Project) harmless from and against any and all losses, costs, demands, damages, expenses (including reasonable attorneys' fees and expenses), claims, causes of action, judgments, penalties, fines, or liabilities, arising from Tenant's failure to satisfy its obligations under this Paragraph including, without limitation, (i) any costs, expenses, and liabilities incurred by Landlord in connection with responding to any demand by any governmental authority that Landlord undertake any modifications or alterations which are Tenant's responsibility pursuant to this Paragraph or for which Tenant is obligated to reimburse Landlord hereunder, as well as (ii) any attorneys' fees, costs, expenses, and liabilities incurred by Landlord in responding to, defending, pursuing, or otherwise being involved with any action, suit, or proceeding arising out of any claim relating to the non-compliance of the Premises or the Project with the ADA or any similar Laws where such action, suit, or proceeding relates to, or arises from, Tenant's use of the Premises, Tenant's Work or any Alterations.

5.3 Condition During Periods of Non-Use: Recapture. During any period of time in which Tenant is not continuously using and occupying the Premises for the operation of its business, Tenant shall take such measures as may be necessary or desirable, in Landlord's sole discretion, to secure the Premises from break-ins and use by unauthorized persons, to minimize the appearance of non-use, and to otherwise maintain the interior and exterior portions of Tenant's Premises, including all windows and doors, in first class condition. Additionally, during any period of time in excess of 90 days in which Tenant is not continuously using and occupying the Premises (or at least 50% thereof) during normal business hours. Landlord may, at its election, by giving written notice (the "Non-Use Recapture Notice") to Tenant, recapture the Premises and terminate this Lease. If Landlord elects to exercise such right and delivers a Non-Use Recapture Notice to Tenant, and Tenant fails to cure such condition to Landlord's reasonable satisfaction within 5 days after delivery of such Non-Use Recapture Notice, this Lease will automatically be deemed terminated as of the effective date stated in the Non-Use Recapture Notice, and Tenant shall surrender possession of the Premises and all improvements therein to Landlord as of such date (and any failure to do so shall constitute an immediate Event of Default hereunder).

5.4 Use of Common Areas. Tenant's use of the Common Areas shall at all times comply with the provisions of all Rules (as defined below) regarding such use as Landlord may from time to time adopt provided such Rules do not materially increase Tenant's obligations or materially decrease Tenant's rights hereunder. In no event shall the rights granted to Tenant to use the Common Areas include the right to store any property in the Common Areas, whether temporarily or permanently. Any property stored in the Common Areas may be removed by Landlord and disposed of, and the cost of such removal and disposal shall be payable by Tenant to Landlord upon demand. Additionally, in no event may Tenant use any portion of the Common Areas for loading, unloading, or parking, except in those areas specifically designated by Landlord for such purposes, nor for any group social event, sidewalk sale, employment fair or similar commercial or unauthorized purpose. Without limiting the generality of the rights of Landlord under this Paragraph 5.4, Landlord also reserves the right to temporarily close any portion of the Common Areas for maintenance purposes so long as reasonable access to the Premises remains available.

5.5 General Covenants and Limitations on Use. In addition to the Rules, Tenant's and Tenant's agents', employees', officers', independent contractors', licensees', guests and invitees' (collectively, "Tenant's Invitees") use of the Premises and the Project, will be subject to the following additional general covenants and limitations on use.

5.5.1 Tenant shall not do, bring, or keep anything in or about the Premises that will cause a cancellation of any insurance covering the Premises. If the rate of any insurance carried by Landlord is increased as a result of Tenant's use of the Premises or Tenant's failure to continuously use and occupy the Premises, Tenant shall pay the amount of such increase to Landlord, within 10 days after Landlord delivers to Tenant a notice of such increase.

5.5.2 No noxious or unreasonably offensive activity shall be carried on, in or upon the Premises by Tenant or Tenant's Invitees, nor shall anything be done or kept in the Premises which may be or become a public nuisance or which may cause unreasonable embarrassment, disturbance, or annoyance to others in the Project, or on adjacent or nearby property. To that end, Tenant additionally covenants and agrees that no light shall be emitted from the Premises which is unreasonably bright or causes unreasonable glare; no sounds shall be emitted from the Premises which are unreasonably loud or annoying; and no odor shall be emitted from the Premises which is or might be noxious or offensive to others in the Building, on the Project, or on adjacent or near-by property.

5.5.3 No unsightliness shall be permitted in the Premises which is visible from the Common Areas. Without limiting the generality of the foregoing, all equipment, objects, and materials shall be kept enclosed within the Premises and screened from view or in Common Areas trash enclosures; no refuse, scraps, debris, garbage, trash, bulk materials, or waste shall be kept, stored, or allowed to accumulate except as may be properly enclosed within appropriate containers in the Premises and promptly and properly disposed of.

5.5.4 The Premises shall not be used for sleeping or washing clothes, nor shall the Premises be used for cooking or the preparation, manufacture, or mixing of anything that might emit any offensive odor or objectionable noises or lights onto the Project or nearby properties. Additionally, Tenant shall be responsible for damage to the Project caused by any deliverymen who are at the Project to deliver goods solely to Tenant.

5.5.5 All pipes, wires, conduit, cabling, poles, antennas, and other equipment/facilities for or relating to utilities, telecommunications, computer equipment, or the transmission or reception of audio or visual signals must be kept and maintained enclosed within the Premises (except to the extent included as part of Landlord's Work, Tenant's Work, or otherwise approved by Landlord).

5.5.6 Tenant shall not keep or permit to be kept any bicycle, motorcycle, or other vehicle, nor any animal (excluding service animals), bird, reptile, or other exotic creature in the Premises.

5.5.7 Neither Tenant nor Tenant's Invitees shall do anything that will cause damage or waste to the Project. Neither the floor nor any other portion of the Premises shall be overloaded. Tenant shall be responsible for all structural engineering required to determine structural load for items placed in the Premises by Tenant. Tenant shall fasten all files, bookcases, and like furnishings to walls in a manner to prevent tipping over in the event of earthquake, tremor, or other earth movements. Landlord shall not be responsible for any damage or liability for such events. No machinery, equipment, apparatus, or other appliance shall be used or operated in or on the Premises that will in any manner injure, vibrate, or shake all or any part of the Project or be allowed to interfere with the equipment of any other tenant within the Project (or other property owned by Landlord or its affiliates), including, without limitation, interference with transmission and reception of telephone, telecommunications, television, radio, or similar signals.

5.5.8 The Premises will be used only as a commercial facility and not as a place of public accommodation as defined by ADA. Tenant shall not offer its goods and services to the general public at the Premises.

5.6 Access Rights. Except as set forth herein, Tenant will have 24 hour-a-day, 7 day-a-week access to the Building and the Premises. Notwithstanding the foregoing, no failure of such access rights will constitute an eviction (constructive or otherwise) or a disturbance of Tenant's use and possession of the Premises or relieve Tenant from paying Rent or performing any of its obligations under this Lease; except that Tenant shall be entitled to equitable abatement of its Rent (as defined below) obligations hereunder to the extent such lack of access is due to Landlord's gross negligence or intentional misconduct and continues for a period in excess of 3 business days. Landlord will not be liable, under any circumstances, for a loss of or injury to property or for injury to or interference with Tenant's business, including loss of profits through, in connection with, or incidental to a failure to furnish access under this Paragraph. Notwithstanding the foregoing, Landlord agrees to use reasonable efforts to promptly correct any such interruption of access.

5.7 Remedies for Breach. In the event of any breach of this Paragraph 5 by Tenant or Tenant's Invitees, Landlord, at its election and in addition to its other rights and remedies under this Lease, may pay the cost of correcting such breach and Tenant shall immediately, upon demand, pay Landlord the cost thereof, plus a supervisory fee in the amount of 10% of such cost.

6. Security Deposit.

6.1 Security Deposit. Upon Tenant's execution of this Lease, Tenant shall deposit with Landlord good funds in the amount of the Security Deposit (if any) set forth in the Principal Lease Provisions, to secure the performance by Tenant of its obligations under this Lease, including without limitation Tenant's obligations (i) to pay Basic Monthly Rent and Additional Rent (as defined below), (ii) to repair damages to the Premises and/or the Project caused by Tenant or Tenant's Invitees, (iii) to surrender the Premises in the condition required by Paragraph 23.1, below, and (iv) to remedy any other defaults by Tenant in the performance of any of its obligations under this Lease. If Tenant commits any default under this Lease, Landlord may, at its election, use the Security Deposit to cure such default, and to compensate Landlord for all damages actually suffered by Landlord which are directly attributable to such default, including, without limitation, reasonable attorneys' fees and costs incurred by Landlord. Upon demand by Landlord, Tenant shall promptly pay to Landlord a sum equal to any portion of the Security Deposit so used by Landlord, in order to maintain the Security Deposit in the amount set forth in the Principal Lease Provisions above (subject to increase as set forth below). Should Landlord choose to apply the Security Deposit against damages suffered by it, such application shall not establish or signify a waiver of any other rights or remedies of Landlord hereunder, nor shall such application constitute an accord and satisfaction. Within 45 days following the Expiration Date or earlier termination of this Lease, Landlord shall deliver to Tenant, at Tenant's last known address, any portion of the Security Deposit not used by Landlord, as provided in this Paragraph. Landlord may commingle the Security Deposit (and any advance Rent received by Landlord) with Landlord's other funds and Landlord shall not pay interest on such Security Deposit to Tenant. Tenant waives the provisions of California Civil Code Section 1950.7 (or any successor statute), and any similar principle of Laws with respect to Landlord's ability to apply the Security Deposit against future rent damages. Furthermore, upon lawful termination of the Lease as a result of Tenant's default, Landlord shall be entitled to immediately apply the Security Deposit against damages computed under California Civil Code Section 1951.2, without the requirement that Tenant first be given notice and an opportunity to cure, and notwithstanding that the damages have not been finally adjudicated by a court. Tenant may not assign or encumber Tenant's residual rights in the Security Deposit without the consent by Landlord.

7. Rent and Rent Adjustments.

7.1 Initial Monthly Rent. Tenant shall pay to Landlord as minimum monthly rent, without deduction, setoff, prior notice, or demand, the Basic Monthly Rent described in the Principal Lease Provisions (subject to adjustment as provided in the attached Addendum), in advance, on or before the first day of each calendar month, beginning on the Rent Commencement Date and thereafter throughout the Term. If the Rent Commencement Date is other than the first day of a calendar month, then the Basic Monthly Rent payable by Tenant for the second month of the Term following the Rent Commencement Date (acknowledging that the first month's rent is payable upon Lease execution) shall be prorated on the basis of the actual number of days during the Term occurring during the first partial calendar month thereof.

7.2 Rental Adjustments. The Basic Monthly Rent shall be increased periodically in accordance with the provisions of attached Addendum No. 1 to this Lease.

7.3 Additional Rent. In addition to paying the Basic Monthly Rent pursuant to this Paragraph 7, Tenant shall pay to Landlord (in accordance with Paragraph 8 below), commencing on January 1, 2025, Tenant's Share (as defined below) of the annual Operating Expenses (as defined below) that are in excess of the amount of Operating Expenses applicable to the Base Year. The amounts payable pursuant to this Paragraph, together with all other amounts of any kind (other than Basic Monthly Rent) payable by Tenant to Landlord under the terms of this Lease, constitute additional rent for the Premises and are collectively and individually referred to in this Lease as "Additional Rent".

7.4 General Rental Provisions. All "Rent" (which includes Basic Monthly Rent and all "Additional Rent" hereunder) shall be paid to Landlord at the same address as notices are to be delivered to Landlord pursuant to the Principal Lease Provisions, as Landlord may change such address from time to time pursuant to the terms of this Lease.

8. Additional Rent.

8.1 Definitions. The following definitions apply in this Paragraph 8 (and elsewhere in this Lease):

8.1.1 Operating Expenses. Subject to the Excluded Costs (as defined below) relating to the Project, the term "Operating Expenses" means all expenses, costs, and amounts of every kind or nature that Landlord pays or incurs because of or in connection with the ownership, operation, management, maintenance, or repair of the Building, Common Areas and Project. Operating Expenses include, without limitation, the following amounts paid or incurred by Landlord relative to the Building, Common Areas and Project: (a) the cost of supplying utilities to

all portions of the Project (other than tenant suites), including without limitation water, waste deposit, power, electricity, heating, ventilation, and air conditioning, (b) Tax Expenses and Insurance Expenses (as such terms are defined below), (c) the cost of providing janitorial services, window washing services and of operating, managing, maintaining, and repairing all building systems, including without limitation utility, mechanical, sanitary, storm drainage, and elevator systems, and the cost of supplies, tools, and equipment, as well as maintenance and service contracts in connection with those systems, (d) the cost of licenses, certificates, permits, and inspections relating to the operation of the Project, (e) the cost of landscaping, (f) the cost of repairing, cleaning, sweeping, painting, striping, replacing and repaving, curbs, parking areas, walkways, guardrails, bumpers, fences, screens, flagpoles, bicycle racks, signs, and other markers, drainage pipes, ducts, conduits, lighting facilities, and all other elements and amenities of the Common Area, (g) the cost of inspection, maintenance, repair, and depreciation costs (excluding acquisition costs) of any and all machinery and equipment used in the operation and maintenance of the Project, including personal property taxes and other charges and taxes incurred in connection with such equipment; (h) the cost of maintenance of and compliance with federal, state, or local governmental ambient air, environmental, health, and safety standards; (i) the cost of consumable materials, (j) the cost of contesting the validity or applicability of any government enactments that may affect the Operating Expenses, (k) the cost of maintenance, repair, and restoration of any parking areas or structures, including, without limitation, resurfacing, repainting, restriping, and cleaning costs, (l) fees, charges, and other costs, including administrative, whether paid to Landlord, an affiliate of Landlord's, or a third party, consulting fees, legal fees, and accounting fees of all persons engaged by Landlord or otherwise reasonably incurred by Landlord in connection with the operation, management, maintenance, and repair of the Project, (m) wages, salaries, and other compensation and benefits of all persons engaged in the operation, maintenance, repair, or security of the Project plus employer's Social Security taxes, unemployment taxes, insurance, and any other taxes imposed on Landlord that may be levied on those wages, salaries, and other compensation and benefits. If any of Landlord's employees provide services for more than one project of Landlord's, only the prorated portion of those employees' wages, salaries, other compensation and benefits, and taxes reflecting the percentage of their working time devoted to the Project will be included in the Operating Expenses, (n) payments under any easement, CC&R's, license, operating agreement, declaration, restrictive covenant, or other instrument relating to the sharing of costs affecting the Project, (o) amortization (including interest on the unamortized cost at a rate equal to the floating commercial loan rate announced from time to time by Bank of America as its "reference rate" (or a comparable rate selected by Landlord if such reference rate ceases to be published) plus 3 percentage points per annum) of the cost of acquiring or renting personal property used in the maintenance, repair, and operation of the Project, (p) fees and expenses for consultants retained by Landlord from time to time for the purposes of energy conservation, waste treatment, and water recycling, (q) the costs of any capital improvements (excluding structural modifications) installed and/or paid for by Landlord, (i) in order to comply with any Laws, change in Laws, or any other rules, regulations or requirements of any governmental or quasi-governmental authority having jurisdiction or of the board of fire underwriters or similar insurance body (except to the extent Tenant is otherwise obligated, pursuant to this Lease, to undertake such improvements or structural modifications at Tenant's cost), or (ii) in order to cause or attempt to cause labor saving, energy saving, or other economies in the maintenance and operation of the Project (including, without limitation, as related to energy generation, water recycling and waste treatment), , and (r) the cost of maintenance of all heating, ventilating and air condition systems, including, without limitation, heating and condenser water to facilitate the production of air conditioning (collectively, "HVAC") relating to individual premises and/or the Common Areas, other than HVAC systems exclusively serving other tenants' premises that are directly paid for, or reimbursed, by such other tenants. All capital expenditures shall be amortized (including interest on the unamortized cost at the rate stated in subparagraph (o) of this Paragraph) over their useful life, as reasonably determined by Landlord's certified public accountant. Operating Expenses will not, however, include any Excluded Costs (as defined below).

8.1.2 Excluded Costs. "Excluded Costs" means the following expenses, as they relate to the Operating Expenses: (i) depreciation, principal, interest, and fees on mortgages or ground lease payments, except as otherwise provided herein, (ii) legal fees incurred in negotiating and enforcing tenant leases, disputes with other tenants, (iii) real estate brokers' leasing commissions and advertising costs in connection with leasing space in the Project, (iv) initial improvements or alterations to tenant spaces in the Project, (v) the cost of providing any service directly to and paid directly by a single individual tenant, or costs incurred for the benefit of a single tenant, (vi) costs of any items to the extent Landlord actually receives reimbursement therefor from insurance proceeds, under warranties, or from a tenant or other third party (such costs shall be excluded or deducted – as appropriate – from Operating Expenses in the year in which the reimbursement is received), or which are paid out of reserves previously included in Operating Expenses, (vii) costs incurred due to Landlord's breach of Laws or ordinance, (viii) repairs necessitated by the negligent acts or negligent omissions of Landlord or Landlord's

employees, agents, or contractors, (ix) capital expenses other than those specifically included in the definition of Operating Expenses, (x) charitable or political contributions and membership fees or other payments to trade organizations, (xi) costs of Landlord's Work which are to be borne by Landlord pursuant to attached Exhibit "C", if any (xii) rent and similar charges for Landlord's on-site management office and/or leasing office or any other offices of Landlord or its affiliates, (xiii) Landlord's general overhead expenses not related to the Project, (xiv) electric power and other utility costs for which any tenant directly contracts with and pays the local public service company, (xv) any cost due to Landlord's breach of this Lease, debt service (including without limitation, interest, principal and any impound payments) required to be made on any mortgage or deed of trust recorded with respect to the Project, (xvi) repairs and replacements paid for by insurance proceeds, or would have been so reimbursed if Landlord had in force all insurance required to be carried by Landlord under this Lease, (xvii) any compensation paid to clerks, attendants or other persons in commercial concessions operated by Landlord, if any, provided that any compensation paid to any concierge at the Project shall be includable as an Operating Expense, (xviii) any costs expressly excluded from Operating Expenses elsewhere in this Lease, (xix) bad debt loss, rent loss, or reserves of any kind; (xx) costs associated with the operation of the business of the entity which constitutes Landlord, as the same are distinguished from the costs of operation of the Building, (xxi) overhead and profit increment paid to the Landlord or to subsidiaries or affiliates of the Landlord for services to the extent the same exceeds the costs of such services rendered by qualified, first-class unaffiliated third parties on a competitive basis, (xxii) any gifts provided to any entity whatsoever, including, but not limited to, Tenant, other tenants, employees, vendors, contractors, prospective tenants, (xxiii) costs, including fines or penalties, incurred due to a violation of any law in force and effect as of the Lease Commencement Date; (xxiv) costs incurred to comply with laws relating to the removal of Hazardous Substances which were in existence in the Project prior to the Lease Commencement Date, or after the Lease Commencement Date to the extent not caused by Tenant; (xxv) wages and benefits of any employee above senior property manager or general manager.

8.1.3 Expense Year. "Expense Year" means the Base Year, and each calendar year after the Base Year, in which any portion of the Term falls, through and including the calendar year in which the Term expires.

8.1.4 Tenant's Share. "Tenant's Share" means a fraction, the numerator of which is the total aggregate Rentable Square Feet in the Premises, and the denominator of 61,030 which is the total aggregate Rentable Square Feet in the Building. As of the Lease Commencement Date, the Tenant's Share will be 13.66%. If either the Premises or the Building are expanded or reduced, Tenant's Share shall be appropriately adjusted. Tenant's Share for the Expense Year in which that change occurs shall be determined on the basis of the number of days during the Expense Year in which each such Tenant's Share was in effect.

8.2 Adjustment of Operating Expenses. Operating Expenses shall be adjusted as follows:

8.2.1 Gross Up Adjustment When a Building is Less Than Fully Occupied. If the occupancy of the total Rentable Square Footage of the completed, partially occupied Building is less than 95%, Landlord shall make an appropriate adjustment to the variable components of the Operating Expenses for that Expense Year, as estimated by Landlord in its sole discretion using sound accounting and management principles, to determine the amount of Operating Expenses that would have been incurred had such building been 95% occupied. This amount shall be considered to have been the amount of Operating Expenses for that Expense Year. For purposes of this Paragraph 8.2, "variable components" include only those component expenses that are affected by variations in occupancy levels, such as nightly janitorial service to Tenants' Premises or water usage.

8.2.2 Adjustment When Landlord Adds Additional Buildings to the Project. If Landlord adds additional buildings within the Project following the Base Year, Landlord shall make an appropriate adjustment to the Operating Expenses for the Base Year, as reasonably determined by Landlord using sound accounting and management principles, to determine the amount of Operating Expenses that would have been incurred for the Base Year if such additional building had been complete and 95% occupied during the Base Year.

8.2.3 Adjustment When Landlord Does Not Furnish a Service to All Tenants. If, during any part of any Expense Year (including the Base Year), Landlord is not furnishing a particular service or work (the cost of which, if furnished by Landlord, would be included in Operating Expenses) to a tenant (other than Tenant) that has undertaken to perform such service or work in lieu of receiving it from Landlord, Operating Expenses for that Expense Year shall be considered to be increased by an amount equal to the additional Operating Expenses that Landlord would reasonably have incurred during such period if Landlord had furnished such service or work to that tenant.

8.2.4 Additional Costs. If due to a change in the types of costs being incurred by Landlord as Operating Expenses (such as, for example, the commencement or cessation of security services—but not a mere change in how a particular cost is handled—such as going from an in-house to an outside landscaping service), the Base Year Operating Expenses need to be adjusted to eliminate the effect of such change, Landlord shall reasonably adjust the Base Year Operating Expenses and notify Tenant of such change in writing. Furthermore, Landlord shall have the right to reasonably decrease the amount of the Base Year Operating Expenses for purposes of calculating Increased Operating Expenses to eliminate the effect of abnormally high costs, or unusual costs, of a particular type or types (such as, by way of example, abnormally high energy costs associated with the “energy crisis” of 2001) occurring during the Base Year. There shall be no cap on Operating Expenses.

8.2.5 Common Areas. Landlord may elect to partition/separate portions of the Common Areas of the Project such that the Operating Expenses (including, but not limited to Tax Expenses and Insurance Expenses) associated with such partitioned Common Areas are allocated to particular buildings or parcels within the Project.

8.3 Tax Expenses. “Taxes” means and refers to all federal, state, county, or local government or municipal taxes, fees, charges, or other impositions of every kind or nature, whether general, special, ordinary, or extraordinary. Taxes include, without limitation, taxes, fees, and charges such as real property taxes, general and special assessments (including, without limitation, maintenance assessment district assessments, facilities benefit assessments and similar district fees and assessments), transit taxes and surcharges, leasehold taxes, school taxes, sewer charges and taxes based on the receipt of rent (including gross receipts or sales taxes applicable to the receipt of rent, unless required to be paid by Tenant), and personal property taxes imposed on Landlord’s fixtures, machinery, equipment, apparatus, systems, appurtenances, and other personal property used in connection with the Project or the Building, as the case may be, along with reasonable legal and other professional fees, costs and disbursements incurred in connection with proceedings to contest, determine or reduce real property taxes. Notwithstanding the foregoing, the following shall be excluded from Taxes: (a) all excess profits taxes, franchise taxes, gift taxes, capital stock taxes, inheritance and succession taxes, estate taxes, federal, state, and local income taxes, and other taxes applied or measured by Landlord’s general or net income (as opposed to rents, receipts, or income attributable to operations at the Building), and (b) personal property taxes attributable to property owned or installed by or for other tenants of the Project. For all purposes of this Lease, the term “Tax Expenses” shall mean the sum of all Taxes that are paid or incurred by Landlord because of or in connection with the ownership, leasing, and/or operation of the Project from time to time.

8.4 Calculation and Payment of Operating Expenses. Tenant’s Share of the increased Operating Expenses for any Expense Year shall be calculated and paid as follows:

8.4.1 Calculation of Excess. If Operating Expenses for any Expense Year (other than the Base Year) ending or beginning within the Term exceeds the amount of Operating Expenses applicable to the Base Year, Tenant shall pay as Additional Rent to Landlord an amount equal to Tenant’s Share of that excess, in the manner stated below.

8.4.2 Statement/Payment of Operating Expenses. Tenant shall pay to Landlord, on the first day of each calendar month during the Term, commencing January 1, 2025, as Additional Rent, without notice, demand, offset, or deduction (except as provided below), an amount (“Tenant’s Monthly Payment”) equal to one-twelfth of Tenant’s Share of the amount by which the Operating Expenses for each Expense Year following the Base Year exceed the Base Year Operating Expenses (such excess being referred to herein as the “Increased Operating Expenses”), as estimated (and subsequently reconciled) by Landlord in the most recently delivered Estimated Statement (as defined below). Landlord intends to deliver to Tenant, prior to the commencement of each Expense Year following the Base Year during the Term, a written statement (“Estimated Statement”) setting forth Landlord’s estimate of the Operating Expenses and Increased Operating Expenses allocable to the ensuing Expense Year, and Tenant’s Share of such Increased Operating Expenses. Landlord may, at its option, during any Expense Year, deliver to Tenant a revised Estimated Statement, revising Landlord’s estimate of the Operating Expenses and Increased Operating Expenses, in accordance with Landlord’s most current estimate. Within approximately 90 days after the end of each Expense Year during the Term, Landlord intends to deliver to Tenant a written statement (“Actual Statement”) setting forth the actual Operating Expenses allocable to the preceding Expense Year. Tenant’s failure to object to Landlord regarding the contents of an Actual Statement, in writing, within 90 days after delivery to Tenant of such Actual Statement, shall constitute Tenant’s absolute and final acceptance and

approval of the Actual Statement. If the sum of Tenant's Monthly Payments actually paid by Tenant during any Expense Year exceeds Tenant's Share of the actual Increased Operating Expenses allocable to such Expense Year, then such excess will be credited against future Tenant's Monthly Payments, unless such Expense Year was the Expense Year during which the Lease Expiration Date occurs (the "Last Calendar Year"), in which event either (i) such excess shall be credited against any monetary default of Tenant under this Lease, or (ii) if Tenant is not in default under this Lease, then Landlord shall (within the time frame for returning Tenant's Security Deposit) pay to Tenant such excess. If the sum of Tenant's Monthly Payments actually paid by Tenant during any Expense Year is less than Tenant's Share of the actual Increased Operating Expenses allocable to such Expense Year, then Tenant shall, within 10 days after delivery of the Actual Statement, pay to Landlord the amount of such deficiency. Landlord's delay in delivering any Estimated Statement or Actual Statement will not release Tenant from its obligation to pay any Tenant's Monthly Payment or any such excess upon receipt of the Estimated Statement or the Actual Statement, as the case may be. The references in this Paragraph 8.4 to the actual Increased Operating Expenses allocable to an Expense Year, shall include, if such Expense Year is the Last Calendar Year, the actual Increased Operating Expenses allocable to the portion of such year prior to the Lease Expiration Date, calculated on a pro rata basis, without regard to the date of a particular expenditure. The provisions of this Paragraph 8.4 shall survive the termination of this Lease, and even though the Term has expired and Tenant has vacated the Premises, when the final determination is made of Tenant's Share of Operating Expenses for the year in which this Lease terminates, Tenant shall immediately pay any increase due over the estimated expenses paid by Tenant pursuant hereto and conversely any overpayment made in Tenant's estimated payments shall be immediately rebated by Landlord to Tenant.

8.5 Landlord's Books and Records. If Tenant disputes (in a writing delivered to Landlord setting forth with specificity the basis for such dispute and the portions of such Actual Statement which Tenant disputes) the amount of Additional Rent stated in an Actual Statement within 90 days after delivery thereof to Tenant, Tenant may, upon at least 5 business days' notice to Landlord, request an opportunity to inspect and audit Landlord's records and supporting documentation regarding such Actual Statement (but not regarding any other Actual Statement). Such inspection and audit must be conducted by an independent certified public accountant within 180 days after the date Tenant received the Actual Statement, shall be at Tenant's sole cost and expense (except as provided below), and Landlord shall, at its election, either provide copies of such records and supporting documentation to Tenant or make such records and supporting documentation relating to the matter in dispute available to Tenant for its inspection at Landlord's business office during normal business hours. If Tenant fails to dispute (in writing, as provided above) the amount of Additional Rent stated in an Actual Statement within 90 days after Tenant's receipt thereof, or if Tenant's inspection and audit fails to disclose a discrepancy in such Actual Statement within 180 days after Tenant's receipt of the Actual Statement in question, then the Actual Statement will be deemed accurate and binding on Tenant and Tenant will be estopped from raising or pursuing any claim or defense to the contrary. If it is determined as a result of Tenant's timely audit of Landlord's records (and Landlord's certified public accountant's concurrence therewith) that Tenant was overcharged relative to the Operating Expenses, such overcharge shall entitle Tenant to a credit against its next payment of Operating Expenses in the amount of the overcharge plus, in the case of an overcharge exceeding 3% of the Operating Expenses, the reasonable third party costs of such audit (and if such credit occurs following the expiration of the Term, Landlord shall promptly pay the amount of such credit to Tenant). If it is determined as a result of Tenant's timely audit of Landlord's records (and Landlord's certified public accountant's concurrence therewith), or otherwise, that Tenant was undercharged relative to the Operating Expenses, Tenant shall, within 10 days after written demand, pay such undercharge to Landlord. Landlord shall be entitled to a copy of any such audit. For avoidance of doubt, Landlord shall not be required to provide or make available to Tenant any of Landlord's records (i) that would result in the disclosure of confidential information pertaining to any other tenant in the Project or (ii) under any circumstances, except as may be required by Laws, unless Tenant exercises its inspection and audit rights pursuant to this Paragraph 8.5. Notwithstanding anything to the contrary in this Paragraph 8.5, Tenant's right to inspect and audit Landlord's records and to otherwise dispute any Actual Statement are subject to the following conditions:

8.5.1 No audit may be conducted during the months of December or April, and Tenant's auditor must make an advance appointment with Landlord's audit supervisor at a mutually acceptable time (which Landlord will use reasonable efforts to schedule within 60 days of Tenant's request).

8.5.2 Before conducting an audit, Tenant must pay the full amount of Tenant's Share of Operating Expenses billed and must not be in default of any other provisions of this Lease.

8.5.3 Tenant may review only those records of Landlord specifically related to the specific Operating Expenses which Tenant has disputed. Tenant may not review any other records or any other leases or agreements, or Landlord's tax returns or financial statements.

8.5.4 In conducting an audit, Tenant must utilize an independent certified public accountant experienced in auditing commercial office property records, subject to Landlord's reasonable prior approval.

8.5.5 Upon receipt thereof, Tenant will deliver to Landlord a copy of the audit report and all accompanying data.

8.5.6 Tenant will keep confidential all agreements involving the rights provided in this Paragraph 8.5 and the results of any audits conducted hereunder. Notwithstanding the foregoing, Tenant will be permitted to furnish the foregoing information to its attorneys, accountants, and auditors to the extent necessary to perform their respective services for Tenant.

8.5.7 An audit may be conducted only once with respect to any Actual Statement, even if the audit conducted does not address every Operating Expense set forth in the Actual Statement.

8.5.8 Tenant may not use an auditor under this Paragraph 8.5 who is paid on a contingency basis, or whose pay is based, in whole or in part, on the amount of recovery or any reduction of Tenant's Share of Additional Rent resulting from such audit.

9. Utilities and Services.

9.1 Tenant's Utility Costs. Except as provided below, Tenant shall pay when due all bills for gas, electricity, and other utilities used at the Premises on and after the Rent Commencement Date and through and including the date of expiration of this Lease, to the extent separately metered and assessed charges for utility services servicing the Premises.

9.2 Standard Tenant Services. Subject to the terms and conditions contained herein, Landlord shall provide the following services during the Term.

9.2.1 Subject to limitations imposed by all governmental rules, regulations and guidelines applicable thereto, Landlord shall provide HVAC when necessary for normal comfort for normal office use in the Premises during Building Standard Operating Hours.

9.2.2 Landlord shall provide adequate electrical wiring and facilities sufficient to provide electrical current to the Premises for Project-standard ordinary and customary office uses and excluding electrical power required for electric data processing equipment, computer rooms, special lighting in excess of Building standard lighting, or any other item of electrical equipment which (individually) consumes more than 1.8 kilowatts at rated capacity in which requires a voltage other than 120 volts single phase. In addition to the foregoing, Landlord shall replace lamps, starters, and ballasts for Project-standard lighting fixtures within the Premises upon Tenant's request; the expense of which will be an Operating Expense. Tenant shall replace lamps, starters, and ballasts for non-Project-standard lighting fixtures within the Premises at Tenant's sole expense. Landlord shall also provide electrical service in connection with Common Area needs, such as lighting.

9.2.3 Landlord shall provide city water from the regular Building outlets for drinking, lavatory and toilet purposes in the Building Common Areas.

9.2.4 Landlord shall provide 5 day per week ordinary and customary, basic janitorial services in and about the Premises in a manner consistent with other comparable buildings in the vicinity of the Building. Landlord shall not be required to provide janitorial services to above-Project-standard improvements installed in the Premises including but not limited to metallic trim, wood floor covering, glass panels, interior windows, kitchen/dining areas, executive washrooms, or shower facilities. Any janitorial services required by Tenant and provided by Landlord in excess of such ordinary and customary, basic janitorial services shall be separately paid for by Tenant, as Additional Rent, within 10 days of written demand.

9.2.5 Landlord shall provide nonexclusive, non-attended automatic passenger elevator service during the Building Standard Operating Hours, shall have one elevator available at all other times, including on the Holidays, and shall provide nonexclusive, non-attended automatic passenger escalator service during Building Standard Operating Hours only.

Tenant shall cooperate fully with Landlord at all times and abide by all regulations and requirements that Landlord may reasonably prescribe for the proper functioning and protection of the HVAC, electrical, mechanical, and plumbing systems.

9.3 Over-Standard Tenant Use. Tenant shall not exceed the rated capacity of the Building's electrical and other utility systems, which systems will be consistent in capacity with other first class office buildings built at or about the same time as the Building. In the event of any damage to any of the Project's systems caused by Tenant's use thereof in excess of ordinary and customary usage for a professional office. Tenant shall be responsible for all costs and expenses incurred by Landlord as a result of such over-use. In addition, if Tenant requires any utilities or services described in this Paragraph 9, which are to be provided by Landlord, in excess of the standard levels being provided by Landlord, or during hours other than Building Standard Operating Hours, Landlord shall have the right to impose reasonable restrictions on such usage and/or commercially reasonable charges therefor. The initial charge to Tenant for heating and air conditioning during hours other than Building Standard Operating Hours will be \$50.00 per hour (or portion thereof), subject to increase over the Term based on Landlord's actual cost (including depreciation, repair and maintenance and associated costs, but exclusive of any supervisory fees), including the Extension Term, if any. Such charges are Additional Rent relative to the provision of such services and are not an offset to any Operating Expenses.

9.4 Conduit and Wiring. Installation of all types of conduit and wiring exclusively serving the Premises (other than as part of Landlord's Work), including but not limited to Tenant's Work, is subject to the requirements of Paragraph 22, below, Exhibit "C", and the Landlord's reasonable approval of the location, manner of installation, and qualifications of the installing contractor. All such conduit and wiring will, at Landlord's option, become Landlord's property upon the expiration of the Term. Upon expiration of the Term, Landlord may elect to require Tenant to remove such conduit and wiring at Tenant's expense and return the Premises and the Common Areas to substantially their pre-existing condition. If Landlord constructs new or additional utility facilities, including without limitation wiring, plumbing, conduits, and/or mains, resulting from Tenant's changed or increased utility requirements, Tenant shall on demand promptly pay (or advance) to Landlord the cost of such items as Additional Rent.

9.5 Utilities Generally. Tenant agrees that, except as specifically provided below, Landlord will not be liable for damages, by abatement of Rent or otherwise, for failure to furnish or for delay in furnishing any utility or related service (including, without limitation, telephone and telecommunication services) or for diminution in the quality or quantity of any utility or related service. Such failure, delay, or diminution will not constitute an eviction or a disturbance of Tenant's use and possession of the Premises or relieve Tenant from paying Rent or performing any of its obligations under this Lease, except that Tenant will be entitled to an equitable abatement of Rent for the period of such failure, delay, or diminution to the extent such the following are satisfied; (i) failure, delay, or diminution is directly attributable to Landlord's negligent acts or negligent omissions, (ii) such failure, delay or diminution prevents Tenant from using, and Tenant does not use, the Premises or the affected portion thereof for the conduct of Tenant's business operations therein, (iii) Tenant was using the Premises or such affected portion for the conduct of Tenant's business operations immediately prior to the failure, delay or diminution, (iv) such failure, delay, or diminution continues for more than 2 consecutive business days (or 10 business days in any 12-month period) after delivery of written notice of such failure, delay, or diminution from Tenant to Landlord, (v) the restoration of such utility or related service is reasonably within the control of Landlord, and (vi) Tenant's losses arising from such failure, delay, or diminution are not covered by any insurance required to be maintained by Tenant under this Lease or otherwise maintained by Tenant. Landlord and Tenant acknowledge that such abatement of Basic Monthly Rent and Additional Rent constitutes reasonable liquidated damages for any and all of Tenant's monetary loss caused by the interruption of such utility and/or service, given that Tenant's actual damages are extremely difficult or impossible to calculate. Except as otherwise expressly provided in this Lease, in no event shall such failure, delay, or diminution in the quality or quantity of any utility or service relieve Tenant of any of its obligations under the Lease, or constitute constructive eviction or entitle Tenant to consequential damages. Landlord will not be liable, under any circumstances, for a loss of or injury to property or for injury to or interference with Tenant's business, including loss of profits through, in connection with, or incidental to a failure to furnish any of the utilities or services under this Paragraph. Notwithstanding the foregoing, Landlord agrees to use reasonable efforts to promptly correct any such interruption of utilities or services (unless such interruption of service was caused by the negligence of Tenant, or anyone acting by, through or under Tenant). Tenant hereby waives the provisions of California Civil Code Section 1932(1) or any other applicable existing or future Laws permitting the termination of this Lease due to the interruption or failure of or inability to provide

any services required to be provided by Landlord hereunder. If any governmental authority having jurisdiction over the Project imposes mandatory controls, or suggests voluntary guidelines applicable to the Project, relating to the use or conservation of water, gas, electricity, power, or the reduction of automobile emissions, Landlord, at its sole discretion, may comply with such mandatory controls or voluntary guidelines and, accordingly, require Tenant to so comply. Landlord shall not be liable for damages to persons or property for any such reduction, nor shall such reduction in any way be construed as a partial eviction of Tenant, cause an abatement of Rent, or operate to release Tenant from any of Tenant's obligations under this Lease, except as specifically provided in this Paragraph 9.5. By executing this Lease, Tenant hereby authorizes Landlord to obtain information regarding Tenant's utility and energy usage at the Premises directly from the applicable utility providers or any governmental agency and Tenant shall execute, within 5 days of Landlord's request, any additional documentation required by any applicable utility provider evidencing such authorization. Further, within 5 days of Landlord's request, Tenant shall provide to Landlord all requested information regarding Tenant's utility and energy usage at the Premises, which information may include copies of Tenant's utilities bills.

10. Maintenance.

10.1 Tenant's Duties. Tenant shall at its sole cost maintain, repair, replace, and repaint, all in first class condition, the interior of the Premises, all building systems exclusively serving the Premises and located within the Premises or the walls of the Premises, and any damage to the Premises or the Project resulting from the acts or omissions of Tenant or any of Tenant's Invitees Tenant shall maintain all communications conduit, equipment, and wiring serving the Premises, whether in the Premises or not (and specifically including all of Tenant's Work and all wiring, equipment, and conduit located on the roof of the Building), regardless of the ownership of said conduit or wiring, subject to Landlord's reasonable approval of Tenant's maintenance/repair contractor and manner of maintenance/repair (but excluding those portions of the Premises which are the express responsibility of Landlord pursuant to Paragraph 10.2 below). Notwithstanding anything to the contrary contained herein, Tenant shall pay any and all maintenance and recurring costs for supplemental HVAC units exclusively serving the Premises, or any portion thereof, upon presentation of invoice from Landlord. If Tenant fails to maintain, repair, replace, or repaint any portion of the Premises or the Project as provided above then following 10 days' written notice thereof to Tenant, Landlord may, at its election, maintain, repair, replace, or repaint any such portion of the Premises or the Project and Tenant shall promptly reimburse Landlord, as Additional Rent, for Landlord's actual cost thereof, plus a supervisory fee in the amount of 10% of Landlord's actual cost. Notwithstanding the foregoing, if following Tenant's payment (or performance) of its obligations under this Paragraph, Landlord receives payment from an insurer for such work, Tenant will be entitled to receive such proceeds (after Landlord has first been fully reimbursed for its costs and expenses relative thereto including Landlord's costs and expenses in obtaining such proceeds) to the extent Tenant previously paid or incurred third party costs relative thereto.

10.2 Landlord's Duties. Landlord shall, as part of the Operating Expenses, maintain, repair, replace, and repaint, all in good order and condition, consistent with other first-class office buildings in the vicinity of the Building, the Common Areas and all portions of the interior and exterior of the Building and any other buildings in the Project (including, without limitation, all electrical, mechanical, plumbing, fire/life safety, and other building systems), except to the extent of Tenant's obligations as set forth in Paragraph 10.1, above. Landlord's failure to perform its obligations set forth above will not release Tenant of its obligations under this Lease, including without limitation Tenant's obligation to pay Rent. Tenant waives the provisions of California Civil Code Section 1942 (or any successor statute), and any similar principle of Laws with respect to Landlord's obligations for tenantability of the Premises and Tenant's right to make repairs and deduct the expense of such repairs from rent. If Landlord fails to perform any of its repair and maintenance obligations under this Paragraph 10.2 and such failure materially and adversely impairs Tenant's ability to use and occupy the Premises for the Permitted Use, Tenant will have the right, to perform such repairs and/or maintenance to the extent necessary to enable Tenant to resume its use and occupancy of the Premises. Notwithstanding the foregoing, prior to exercising such right, Tenant must, except as provided below in connection with an emergency, have given Landlord at least 30 days' prior written notice of the nature of the problem and Tenant's intention to exercise its rights under this Paragraph if such matter is not resolved within such 30-day period; provided, however, if the nature of the matter giving rise to such repair or maintenance obligation will reasonably require more than 30 days to remedy and Landlord is proceeding with due diligence to remedy such matter, then such 30 day period will be extended for such additional time as may be necessary for Landlord to complete such repairs or maintenance. Notwithstanding the preceding sentence, in the case of an emergency which poses an imminent threat of death, injury, or severe damage to persons or property, the required notice from Tenant may be provided orally rather than in writing and for such shorter period of time (i.e., less than 30 days) as Tenant, in the exercise of its reasonable judgment deems appropriate under the exigent

circumstances (however, at a minimum, Tenant shall at least contact Landlord telephonically prior to commencing such work so that Landlord may, at its election, make arrangements to handle such emergency itself). If Landlord fails to fulfill its repair and maintenance obligations under this Paragraph, and as a result thereof Tenant exercises the foregoing right to correct such matter, then Landlord shall reimburse Tenant for the reasonable third-party costs incurred by Tenant to complete such repairs and/or maintenance within 30 days after receipt of Tenant's written demand therefor, together with copies of the paid invoices evidencing the costs so incurred. Any such repairs or maintenance performed by Tenant, as permitted herein, must be performed in a good and workmanlike manner by licensed contractors. Under no circumstances may Tenant offset any amount it is owed by Landlord pursuant to this Paragraph (or otherwise) against any Rent obligation under this Lease.

11. Parking.

11.1 General Parking Rights. Subject to the remaining provisions of this Paragraph 11, Landlord grants to Tenant (for the benefit of Tenant and Tenant's Invitees) the right to the non-exclusive use of the unreserved parking area within the boundaries of and serving the Project (the "**Parking Area**"). Tenant's use of the Parking Area shall be subject to such rules as Landlord may, in its reasonable and non-discriminatory discretion, adopt from time to time with respect to the Parking Area, including without limitation (i) rules providing for the payment of charges or fees by users of the Parking Area, and in such event the charges or fees shall be deemed Additional Rent, (ii) rules limiting tenants of the Project (including, without limitation, Tenant) to the use of, or excluding the use of, certain parking spaces or certain portions of the Parking Area, in order to maintain the availability of accessible parking spaces for clients, guests, and invitees of tenants of the Project, and (iii) rules limiting tenants of the Project (including without limitation Tenant), and their employees, to the use of a restricted number of parking spaces or a restricted area. If Tenant, or any of Tenant's employees, fails to comply with any such rules or requirement (such as, by way of example, parking in areas designated as visitor parking only), then Landlord will have the right to either have such vehicles towed from the Project at Tenant's expense, or to charge Tenant \$100.00 per day per car for any cars which are parked in violation of such requirements. Furthermore, Landlord shall have the right to immobilize such improperly parked vehicles by use of a "boot" or other device. The parking privileges granted to Tenant in this Lease are personal to Tenant, and Tenant shall not assign or sublet such parking privileges separate and apart from the other rights of Tenant under this Lease.

11.2 Parking Ratios. As of the Rent Commencement Date (and subject to temporary interruptions in connection with Landlord's continued development of the Project, as provided below), the parking ratio within the Project applicable to Tenant will be four (4) spaces per 1,000 Usable Square Feet ("**USF**") of space within the Premises. The foregoing (4:1,000 USF) parking ratio includes all spaces within the Project, including covered, uncovered, reserved, unreserved, handicap, and visitor parking spaces. Of the total spaces described above, a maximum of seven (7) of said total spaces may be reserved in the parking garage by Tenant at the rate of \$100.00 per space per month, subject to future escalation by Landlord (but in no event by more than 3% over the then-current charges during any consecutive 12 month period). All unreserved parking shall be provided on a free and unassigned basis (i.e., first come, first served).

12. Signs.

12.1 General Signage Conditions. Landlord may at any time change the name of either or both of the Building and/or the Project and install, affix, and maintain all signs on the exterior and interior of the Building and other buildings within the Project as Landlord may, in Landlord's sole discretion, desire. Tenant shall not have or acquire any property right or interest in the name of the Building or the Project. Subject to Tenant's signage rights under Paragraph 12.2. below, Tenant may not place, construct, or maintain any sign, advertisement, awning, banner, or other exterior decoration (collectively, "**Sign**") inside or outside the Premises which is visible from the exterior of the Premises, or on the Building or any other portion of the Project, without Landlord's prior written consent. Any sign that Tenant is permitted by Landlord to place, construct, or maintain in the Premises or on the Building or the Project (including pursuant to Paragraph 12.2. below) must comply with Landlord's sign criteria applicable to the Project, including, without limitation, criteria relating to size, color, shape, graphics, and location (collectively, the "**Sign Criteria**"), and shall comply with all applicable Laws, ordinances, CC&R's (or similar recorded instruments), rules, or regulations, and Tenant shall obtain any approvals required by such Laws, ordinances, CC&R's (or similar recorded instruments), rules, and regulations. Landlord makes no representation or warranty with respect to Tenant's ability to obtain any such approval. Tenant shall, at Tenant's sole cost and expense, make any changes to any sign, whether in the Premises or on the Building, as required by any new or revised applicable Laws, ordinances, rules, or regulations or any changes in the Project Sign Criteria. Tenant shall, additionally, maintain, repair, and replace all of Tenant's signs (including, specifically, those installed pursuant to Paragraph 12.2. below) in first class condition. Nothing contained in this Paragraph 12 limits Landlord's right to grant signage rights to other tenants of the Building, or to affect the signage rights of any tenant of the Building.

12.2 Tenant's Individual Signage Rights. Subject to compliance with the requirements of Paragraph 12.1, above, Tenant is hereby granted the following signage rights in/on the Building and at the Project.

12.2.1 Directory/Suite Signage. The Building will be provided, at Landlord's expense, with both a Project-standard lobby directory sign and suite signage. Tenant shall be entitled to be listed on such signs, subject to prior approval of the Tenant's graphics by Landlord, if applicable.

13. Rules, Regulations, and Covenants. Tenant shall faithfully observe and strictly comply with (and shall cause Tenant's Invitees to observe and comply with) any rules and regulations which Landlord may from time to time adopt for the Project (a copy of such rules and regulations shall be provided to Tenant), as well as any recorded easement agreements, maintenance agreements, CC&R's or like instruments affecting the Building and/or the Project, whether now existing or hereafter adopted or amended from time to time (all of the foregoing, collectively, "Rules"), provided such Rules and regulations do not materially increase Tenant's obligations or materially decrease Tenant's rights hereunder. Landlord has no duty or obligation to enforce any Rule against any other tenant, and Landlord will not be liable to Tenant for violation of any Rule by any other tenant, or any other tenant's agents, employees, officers, independent contractors, customers, invitees, visitors, guests or licensees. Tenant acknowledges that Landlord reserves the right, from time to time, to enter into leases or other agreements by which Landlord agrees to restrict the use of all or any portion of the Project (including the Premises) from certain uses. All such leases and other agreements, whether now existing or entered into in the future, shall be binding upon Tenant and in no event shall Tenant utilize the Premises for any use so prohibited; provided, however, no such restriction may prevent Tenant from using the Premises for the Permitted Use.

14. Early Access/Insurance. If prior to the Rent Commencement Date Tenant desires to make any Alterations (as defined in Paragraph 22 below) to the Premises (as approved by Landlord in the attached Exhibit "C"), perform any of the Tenant's Work, or install any of Tenant's personal property, then in addition to complying with the provisions of attached Exhibit "C", (i) Tenant shall, at Tenant's sole cost and expense, prior to first entering onto the Project, obtain and thereafter at all times maintain (a) "Builder's Risk" or "Course of Construction" insurance with respect to any actual construction work, and (b) all of the insurance required to be maintained by Tenant during the Term, and (ii) the Term, and all obligations of Tenant under the provisions of this Lease other than those relating to the obligation to pay Rent, shall be operative. Without limiting the foregoing, any work pursuant to this Paragraph shall be subject to all of the provisions of Paragraph 22, below. Nothing in this Paragraph shall be construed as granting permission to Tenant to enter the Premises, or to make any Alterations, prior to the Lease Commencement Date and no such right shall exist unless specified in Exhibit "C" or approved in writing by Landlord in its sole discretion.

15. Tenant's Liability Insurance. Tenant shall maintain, at Tenant's sole cost and expense, Commercial General Liability Insurance covering the insured against (i) any and all Claims (as defined below) of bodily injury, personal injury and property damage (including loss of use thereof) arising out of or connection with Tenant's use, occupancy and operations within the Premises and Building, and (ii) all contractual liabilities under this Lease, including, without limitation, indemnity provisions contained herein, for limits of liability of \$3,000,000 per occurrence and \$4,000,000 annual aggregate with such aggregate limit shall apply separately to each location and may be met with primary and excess liability policy.

16. Tenant's Property Damage Insurance. Tenant shall maintain, at Tenant's sole cost and expense, Physical Damage Insurance covering (i) all office furniture, business and trade fixtures, office equipment, free-standing cabinet work, movable partitions, merchandise and all other items of Tenant's property on the Premises installed by, for, or at the expense of Tenant, (ii) all Tenant improvements (installed and/or constructed per Exhibit "C" attached hereto), and any other improvements which exist in the Premises as of the Commencement Date (excluding the base building structure and building systems), and (iii) all other improvements, Alterations, Personal Property and additions to the Premises. Such insurance shall be written on an "all risks" of physical loss or damage basis, for the full replacement cost value, new without deduction for depreciation of the covered items and shall include coverage for damage or other loss caused by fire or other peril including, but not limited to, earthquake, flood, terrorism, vandalism and malicious mischief, theft, water damage of any type, including sprinkler leakage, bursting or stoppage of pipes, coverage with respect to increased costs due to building ordinances,

demolition coverage, boiler and machinery insurance and explosion. Such “full replacement cost value” shall be determined by the insurance company issuing such policy at the time the policy is initially obtained. Not more frequently than once every two years, either Landlord or Tenant may, at its election, notify the other that it elects to have the replacement cost value redetermined by an insurance company. Such redetermination shall be made promptly and in accordance with the rules and practices of the Board of Fire Underwriters, or a like board recognized and generally accepted by the insurance company, and Landlord and Tenant shall be promptly notified of the results by the company. Such policy shall be promptly adjusted according to such redetermination.

17. Tenant's Additional Insurance. In addition to the foregoing coverages, Tenant shall maintain, at Tenant's sole cost and expense:

17.1 Workers' compensation insurance in an amount not less than the statutory limits in the state in which the Project is located;

17.2 Employer's Liability with limits of at least \$1,000,000 bodily injury by disease – policy limit, \$1,000,000 bodily injury by disease – each employee and \$1,000,000 bodily injury by accident – each accident for the protection of its employees or other similar insurance pursuant to all applicable Laws;

17.3 Business Interruption Insurance in amounts sufficient to reimburse Tenant (over a 12 month period) for direct or indirect loss of earnings attributable to all perils commonly insured against by prudent tenants or attributable to prevention of access to the Premises or to the Project as a result of such perils, including, without limitation, reimbursement for payment of rental and all other monetary obligations required herein and having a deductible of no greater than 2 consecutive business days of such amounts in the aggregate;

17.4 Automobile Liability with a combined single limit of \$3,000,000 per occurrence covering the operation, ownership, maintenance, and use of owned (if any), non-owned, and hired automobiles, bodily injury and property damage, as aforesaid; and

17.5 In the event Tenant distributes, sells and/or manufactures liquor or alcoholic beverages on the Premises, Tenant shall maintain liquor liability coverage with minimum coverage limits of \$3,000,000 per occurrence and \$3,000,000 annual aggregate, (which limits may be met by combining primary and excess liability policies limits) and also maintain the coverages and coverage limits set forth in Paragraph 15. Notwithstanding anything in this Lease to the contrary, if Tenant serves, sells or maintains liquor or alcoholic beverages on Premises, Tenant, at a minimum, shall maintain dram shop coverage (or its equivalent) with limits of \$2,000,000 in accordance with Paragraph 15. Coverage shall be on a per occurrence form. Notwithstanding the foregoing, in no event shall Tenant be permitted to distribute, sell or manufacture liquor on the Premises without Landlord's prior written consent, which may be withheld by Landlord in its sole and absolute discretion.

18. Form of Tenant's Insurance Policies. The minimum limits of policies of insurance required of Tenant under this Lease shall in no event limit the liability of Tenant under this Lease. Such insurance (i) shall name Landlord, American Assets Trust, Inc. and American Assets Trust, L.P. and any other party with an insurable interest in the Project which the Landlord so specifies by written notice to Tenant, as an additional insured, including Landlord's managing agent, American Assets Trust Management, LLC, as such agent may be changed from time to time; (ii) shall cover the liability assumed by Tenant under the indemnification provisions of this Lease; (iii) shall consist of “occurrence” based coverage, without provision for subsequent conversion to “claims” based coverage; (iv) shall be issued by an insurance company having a rating of not less than A XV in Best's Insurance Guide or which is otherwise acceptable to Landlord and authorized to do business in the state in which the Project is located; (v) shall be primary insurance and non-contributing with respect to all Claims thereunder and any policies carried by Landlord and that any coverage carried by Landlord shall be excess insurance; (vi) be in form and content reasonably acceptable to Landlord; and (vii) shall provide that said insurance shall not be canceled or modified in coverage unless 30 days' prior notice shall have been given to Landlord, and (viii) shall not provide for a deductible or co-insurance provision in excess of \$10,000. Tenant shall deliver said policy or policies or certificates and applicable endorsements thereof or reasonable evidence that such insurance is in place to Landlord on or before the Commencement Date. In the event Tenant shall fail to procure such insurance, or to deliver such policies or certificate and applicable endorsements, Landlord may, at its option upon 5 business days' notice to Tenant, procure such policies for the account of Tenant unless Tenant provides same within such 5 day period, and the cost thereof shall be paid to Landlord within 5 days after delivery to Tenant of bills therefor. Tenant shall, at least 30 days prior to the expiration of each such policy, furnish Landlord with a renewal certificate and applicable endorsement of or “binder” extending such policy.

18.1 Tenant shall deliver all certificates, endorsements and policies required to be delivered to Landlord under this Lease by emailing them to aatinsurance@americanassets.com (as such email address may be changed upon written notice from Landlord to Tenant).

19. Waiver of Subrogation. Notwithstanding anything to the contrary set forth in this Lease, Landlord and Tenant release each other, Tenant's Invitees, Landlord's guests, invitees, customers and licensees (collectively, "Landlord's Invitees") and Landlord's agents, affiliates, officers, directors and employees from all claims for damage, loss, or injury to the Project, to Tenant's Personal Property, and to the fixtures and Alterations of either Landlord or Tenant in or on the Project to the extent such damage, loss or injury is covered by any insurance policies carried by Landlord and Tenant and in force at the time of such damage, or which would have been covered by insurance policies required by this Lease to be carried by Tenant, but which Tenant failed to carry. Subject to the remaining provisions of this Paragraph, Landlord and Tenant shall each cause all insurance policies obtained by it pursuant to this Lease to provide that the insurance company waives all right of recovery by way of subrogation against Landlord, American Assets Trust, Inc., American Assets Trust, L.P., American Assets Trust Management, LLC, and Landlord's agents, employees and representatives and Tenant in connection with any damage, loss, or injury covered by such policy. If any such policy cannot be obtained with a waiver of subrogation, or is obtainable only by the payment of an additional premium charge above that charged by insurance companies issuing policies without waiver of subrogation endorsements, the party undertaking to obtain such policy (the "Undertaking Party") shall so notify the other party (the "Notified Party"). The Notified Party shall, within 10 days after delivery of such notice, either obtain such policy from a company that is reasonably satisfactory to the Undertaking Party and that will issue such policy with a waiver of subrogation endorsement, or agree to pay the additional premium if such policy is obtainable at additional cost. If such policy cannot be obtained with a waiver of subrogation endorsement or the Notified Party refuses to pay such additional premium, then the Undertaking Party shall not be required to obtain a waiver of subrogation endorsement with respect to such policy. Notwithstanding the foregoing, if any claim to which the foregoing release by Landlord and waiver of subrogation provision would apply is for an amount which is less than Landlord's applicable deductible, and Landlord elects not to submit such claim to its insurer, then the provisions of the foregoing release by Landlord shall not be applicable.

20. Landlord's Insurance. Landlord may, at its election, maintain any of the following insurance, and any other insurance deemed appropriate or necessary, in Landlord's sole discretion, in such amounts and with such limits as Landlord shall determine in its reasonable discretion: (i) public liability and property damage insurance, and products liability insurance; (ii) fire and extended coverage and special form insurance, coverage with respect to increased costs due to building ordinances, demolition coverage, and sprinkler leakage coverage; (iii) boiler and machinery insurance; (iv) fidelity insurance; (v) plate-glass insurance; (vi) earthquake insurance; (vii) terrorism insurance, (viii) flood insurance; (ix) rental interruption and/or business interruption insurance; and (x) pollution legal liability insurance. The premiums, costs, expenses, and deductibles (or similar costs or charges) of and/or with respect to any such insurance (all of the preceding, collectively, "Insurance Expenses") shall be included in Operating Expenses. Any such coverage may be part of an umbrella or blanket policy, whereupon the premiums, costs, and expenses hereof will be reasonably apportioned between the Building and the other properties so included under such policy(ies). Landlord reserves the right to self-insure against any loss, damage, liability or risk related to the Project rather than maintain traditional insurance policies, in which event Landlord shall have right to include within Insurance Expenses an amount equal to what Insurance Expenses reasonably would have been had Landlord maintained traditional insurance policies.

21. Personal Property Taxes. Tenant shall pay before delinquency all taxes, assessments, license fees, and other charges that are levied or assessed against, or based upon the value of, Tenant's personal property installed or located in or on the Premises including without limitation trade fixtures, furnishings, equipment, Alterations, and inventory (collectively, "Tenant's Personal Property"). On written demand by Landlord, Tenant shall furnish Landlord with satisfactory evidence of such payments. If any such taxes, assessments, license fees, and/or other charges are levied against Landlord or Landlord's property, or if the assessed value of the Premises is increased by the inclusion of a value placed on Tenant's Personal Property, and if Landlord pays such taxes, assessments, license fees, and/or other charges or any taxes based on the increased assessments caused by Tenant's Personal Property, then Tenant, on demand, shall immediately reimburse Landlord, as Additional Rent, for the sum of such taxes, assessments, license fees, and/or other charges so levied against Landlord, or the proportion of taxes resulting from such increase in Landlord's assessment. Landlord may, at its election, pay such taxes, assessments, license fees, and/or other charges or such proportion, and receive such reimbursement, regardless of the validity of the levy.

22. Alterations. Tenant shall not make any alterations, improvements, additions, installations, or changes of any nature in or to the Premises (any of the preceding, "Alterations") unless Tenant first obtains Landlord's written consent to such Alteration and otherwise complies with the provisions of this Paragraph 22; provided, however, that no such consent will be required in connection with any Minor Alterations (as defined below).

22.1 Request for Consent. At least 15 days prior to making any Alterations, Tenant shall submit to Landlord, in written form, proposed detailed plans of such Alterations, which plans must (i) in the case of a Minor Alterations, be in sufficient detail to, among other things, provide Landlord with reasonable evidence that such Alterations are of a nature that Landlord's consent is not required, and (ii) in the case of any other Alterations, in sufficient detail to allow Landlord and its consultants to fully evaluate the proposed Alterations and their affect upon the Premises and the Project. Landlord will not unreasonably withhold, condition, or delay its consent to any Alterations for which consent is required; provided, however that in the case of exterior Alterations or Alterations which will be visible from outside the Premises or which will affect any structural components of the Project, Landlord shall have the right to grant or withhold its consent in the exercise of its sole discretion. In addition to the foregoing requirements, if the proposed Alteration requires approval by or notice to the lessor of a ground or underlying lease or the holder of a deed of trust encumbering the Project, no Alteration shall be commenced until such approval has been received, or such notice has been given, as the case may be, and all applicable conditions and provisions of said superior lease or deed of trust with respect to the proposed Alterations have been met or complied with at Tenant's sole cost and expense; and Landlord, if it approves the Alteration, will request such approval or give such notice expeditiously, as the case may be, and thereafter take reasonable diligent measures to obtain such approval.

22.2 Minor Alterations. Notwithstanding anything to the contrary contained herein, minor, interior cosmetic Alterations such as painting, wall papering, carpeting or hanging pictures or moving furniture and temporary partitions or cubicles (the aggregate cost of which will not exceed \$10,000, and which Alterations will not be visible from outside the Premises or affect any structural components of the Project) will not require Landlord's prior consent so long as (i) Tenant notifies Landlord in accordance with Paragraph 22.1(i) and (ii) Tenant complies with all reasonable conditions which may be imposed by Landlord including, but not limited to, the requirements of Paragraph 22.3 below, Landlord's selection of specific contractors or construction techniques and the requirements of the attached Exhibit "C". Any Alterations meeting the foregoing requirements to avoid the necessity of obtaining Landlord's consent are referred to herein as a "Minor Alterations".

22.3 Additional Requirements. Tenant shall, prior to the commencement of any Alterations, and at Tenant's sole cost and expense, (i) acquire (and deliver to Landlord a copy of) any required permit from the appropriate governmental agencies to make such Alterations (any conditions of which permit Tenant shall comply with, at Tenant's sole cost and expense, in a prompt and expeditious manner), (ii) provide Landlord with 10 business days' prior written notice of the date the installation of the such Alterations is to commence, so that Landlord can post and record an appropriate notice of non-responsibility, (iii) pay Landlord the reasonable costs and expenses of Landlord for architectural, engineering, or other consultants which reasonably may be incurred by Landlord in determining whether to approve any such Alterations (excluding Minor Alterations), and (iv) if applicable, obtain (and deliver to Landlord proof of) reasonably adequate additional workers compensation insurance with respect to any of Tenant's employees installing or involved with such Alterations (which insurance Tenant shall maintain on an occurrence basis in force until completion of the Alterations). In addition, Tenant shall comply with all reasonable conditions which may be imposed by Landlord relative to such Alterations including, but not limited to, (v) Landlord's selection of specific contractors or construction techniques and (2) the requirements of the attached Exhibit "C" applicable to Tenant's Work. Notwithstanding anything to the contrary in this Paragraph 22.3, in no event shall Tenant remove any ceiling tiles or ceiling gridwork or lighting without Landlord's prior written consent, and any such consent may be conditioned upon requiring Tenant to post a deposit to cover the cost of restoring the Premises to their prior condition upon termination of the Term and to secure Tenant's obligation to so restore the Premises.

22.4 Ownership of Alterations. All Alterations shall, upon the Expiration Date of this Lease, become the property of Landlord and shall remain on and be surrendered with the Premises on the Expiration Date; provided, however that Landlord may, at its election, require Tenant to remove any or all of the Alterations, provided that Landlord notifies Tenant in writing prior to commencement of the Alterations. If Landlord so elects that the Alterations be removed, Tenant shall, at its sole cost and expense, on or before the Expiration Date, repair and restore

the Premises to the condition of the Premises prior to the installation of the Alterations which are to be removed. Tenant shall be solely responsible for and shall pay all costs and expenses for Alterations and other construction done or caused to be done by Tenant and Tenant shall keep the Premises free and clear of all mechanics' and materialmen's liens resulting from or relating to any Alterations or other construction. Tenant may, at its election, contest the correctness or validity of any such lien provided that (a) within 20 days after written demand by Landlord, Tenant procures and records a lien release bond, issued by a corporation satisfactory to Landlord and authorized to issue surety bonds in California, in an amount equal to 125% of the amount of the claim of lien, which bond meets the requirements of California Civil Code Section 8424 or any successor statute, and (b) Landlord may, at its election, require Tenant to pay Landlord's attorneys' fees, costs and expenses incurred in participating in such an action.

22.5 Control over Tenant's Wi-Fi Use.

(a) Wi-Fi. Tenant shall have the right to install, at its sole cost and expense, a wireless intranet, Internet, and communications network (also known as "Wi-Fi") utilizing IEEE 802.XX protocols within the Premises for the use of Tenant and its employees (the "Network") subject to the provisions of this Paragraph 22.5 and the other provisions of Paragraph 22. All telecommunications service providers shall be subject to Landlord's prior written approval which approval shall not be unreasonably withheld or delayed.

(b) No solicitation. Tenant shall not solicit, suffer, or permit other tenants or occupants of the Building to use the Network or any other communications service, including, without limitation, any wired or wireless Internet service that passes through, is transmitted through, or emanates from the Premises.

(c) Interference. Tenant agrees that the Network, Tenant's communications equipment and the communications equipment of Tenant's service providers located in or about the Premises or installed in the Building to service the Premises including, without limitation, any antennas, switches, or other equipment (collectively, "Tenant's Communications Equipment") shall be of a type and, if applicable, a frequency that will not cause radio frequency, electromagnetic, or other interference to any other party or any equipment of any other party including, without limitation, Landlord, other tenants, or occupants of the Building. Landlord reserves the right to cause Tenant to operate on a channel or frequency band that Landlord selects, in its sole discretion. In the event that Tenant's Communications Equipment causes or is believed by Landlord to cause any such interference, upon receipt of notice from Landlord of such interference, Tenant will promptly take all steps necessary to correct and eliminate the interference. If the interference is not eliminated within 24 hours (or a shorter period if Landlord believes a shorter period to be appropriate) then, upon notice from Landlord, Tenant shall use other channels or frequencies as determined solely by Landlord, or, at Landlord's election, shut down the Tenant's Communications Equipment pending resolution of the interference (with the exception of intermittent testing upon prior notice to, and with the prior approval of, Landlord). Landlord shall have no obligation or liability with respect to any interruption, curtailment or discontinuance of telecommunications services.

(d) Maintenance. Tenant shall maintain Tenant's Telecommunications Equipment in good order and repair at its sole cost and expense.

(e) Acknowledgment. Tenant acknowledges that Landlord has granted and/or may grant lease rights, licenses, and other rights to other tenants and/or occupants of the Building and to telecommunications service providers.

23. Surrender of Premises and Holding Over.

23.1 Surrender. On the Expiration Date or earlier termination of the Term, Tenant shall surrender to Landlord the Premises and all Alterations (except for Alterations that Tenant is obligated to remove as expressly set forth in Paragraph 22.4 above) in substantially their pre-existing condition as received, less any normal wear and tear, free of trash and debris including cleaning of all flooring; all walls shall be patched and painted; all signage installed by Tenant on any portion of the Buildings or Project shall be removed and the surfaces repaired, including restoration of the signage mounting surfaces to their pre-existing condition; all sign circuits, electrical circuits, and lighting fixtures shall be in good operating condition; all roof penetrations arising from Tenant's occupancy of the Premises shall be in a watertight condition; and all doors, windows, locks, and hardware shall be in operable condition upon the termination of this Lease. Tenant shall additionally, as of the Expiration Date, remove all of Tenant's Personal Property and all electric, data and voice cabling installed in the Premises, or behind or above any ceiling or wall in, on, or about the Premises and perform all repairs and restoration required by the removal of any such cabling, Alterations or Tenant's Personal Property, as applicable, and

Tenant shall surrender to Landlord all keys to the Premises (including without limitation any keys to any exterior or interior doors). Landlord may elect to retain or dispose of in any manner any Alterations or Tenant's Personal Property that Tenant does not remove from the Premises on or before the Expiration Date or earlier termination date of the Term of this Lease by giving written notice to Tenant. Any such Alterations or Tenant's Personal Property that Landlord elects to retain or dispose of shall immediately upon notice to Tenant vest in Landlord. Tenant waives all claims against Landlord for any damage to Tenant resulting from Landlord's retention or disposition of any such Alterations or Tenant's Personal Property. Tenant will be liable to Landlord for Landlord's costs for storing, removing (including related restoration work), or disposing of any such Alterations or Tenant's Personal Property. If Tenant fails to surrender the Premises to Landlord on the Expiration Date (or earlier termination of the Term) in the condition required by this Paragraph 23.1, Tenant shall indemnify, defend, and hold harmless the Landlord from and against all liabilities, damages, losses, costs, expenses, attorneys' fees and costs, and claims resulting from such failure, including without limitation any claim for damages made by a succeeding tenant.

23.2 Holding Over. If Tenant, with Landlord's consent, remains in possession of the Premises after the Expiration Date, such possession by Tenant shall be deemed to be a month-to-month tenancy terminable on 30-days' written notice given at any time by Landlord or Tenant. During any such month-to-month tenancy, or any other holdover tenancy which is without Landlord's consent, Tenant shall pay, as Basic Monthly Rent, 150% of the Basic Monthly Rent and 150% of the Additional Rent in effect immediately prior to the Expiration Date; which rental amount Tenant acknowledges is fair and reasonable under all of the facts and circumstances existing as of the date of this Lease. All provisions of this Lease except for those pertaining to Term shall apply to any such tenancy. If Tenant holds over after the Expiration Date without the express written consent of Landlord, Tenant shall become a tenant at sufferance only, at a rental rate equal to 150% of the Basic Monthly Rent and 150% of the Additional Rent in effect immediately prior to expiration of the Term (prorated on a daily basis), and otherwise subject to the terms, provisions, and conditions herein specified, so far as applicable. Acceptance by Landlord of rent after such expiration or earlier termination shall not constitute consent to a holdover tenancy hereunder or result in a renewal. The foregoing provisions this Paragraph 23.2 are in addition to, and do not affect, Landlord's right of re-entry or any rights of Landlord hereunder or as otherwise provided by Laws. Landlord expressly reserves the right to require Tenant to surrender possession of the Premises to Landlord as provided in this Lease upon expiration or other termination of this Lease. The provisions of this Paragraph 23.2 shall not be considered to limit or constitute a waiver of any other rights or remedies of Landlord provided in this Lease or at Laws or equity. In addition to the foregoing, if Tenant fails to surrender the Premises to Landlord on the Expiration Date in the condition required by Paragraph 23.1, above, Tenant shall indemnify, defend, and hold harmless Landlord from and against all actions, demands, liabilities, damages, losses, costs, expenses, attorneys' fees and costs, and claims resulting from such failure, including, without limitation, any claim for damages made by a succeeding tenant.

24. Default. The occurrence of any of the following shall constitute a material default and breach of this Lease by Tenant (each, an "Event of Default"):

24.1 The abandonment (as defined in the California Civil Code 1951.3) of the Premises by Tenant.

24.2 Tenant's failure to make any payment of Rent (including late charges) as and when due, and such failure is not cured within 3 business days after delivery of written notice from Landlord specifying such failure to pay.

24.3 Tenant's failure to timely deliver an estoppel certificate to Landlord in accordance with the provisions of Paragraph 41, below, or to timely deliver a subordination, non-disturbance, and attornment agreement in accordance with the provisions of Paragraph 40, below, in each case after notice of such failure is provided by Landlord and 5 business days are provided in which to cure.

24.4 Intentionally Removed.

24.5 Tenant is in default beyond any notice and cure period under any other lease or agreement with Landlord at the Building or Project.

24.6 Tenant's failure to observe or perform any of the provisions of this Lease to be observed or performed by Tenant, other than described in the preceding six paragraphs, where such failure shall continue for a period of 10 business days after written notice of such failure from Landlord to Tenant (or such lesser or greater cure period as explicitly set forth in the Lease); provided, however, that any such notice shall be in lieu of, and not in addition to, any

notice required under applicable unlawful detainer statutes; and provided further, that if the nature of Tenant's default is such that more than 10 business days are reasonably required for its cure, then Tenant shall not be deemed to be in default if Tenant commenced such cure within such 10 business day period and thereafter diligently prosecutes such cure to completion within 60 days after Landlord's written notice. Such written notice will be deemed to satisfy the statutory notice requirements of applicable unlawful detainer statutes and will be in lieu thereof (and not in addition thereto). Tenant acknowledges that Landlord only agreed to the inclusion of such notice requirement on the condition that such notice would constitute the legally required notice following a default and Tenant waives any claim, counterclaim, or defense to any action relating to an unlawful detainer on the basis that such notice, was insufficient to meet such statutory notice requirement or was in any other manner defective, and Tenant agrees that it will be estopped from raising any such argument in any action by Landlord.

24.7 The making by Tenant of any general arrangement or assignment for the benefit of creditors; Tenant's becoming bankrupt, insolvent or a "debtor" as defined in 11 U.S.C. Section 101, or any successor statute (unless, in the case of a petition filed against Tenant, such petition is dismissed within 60 days after its original filing); the institution of proceedings under the bankruptcy or similar Laws in which Tenant is the debtor or bankrupt; the appointing of a trustee or receiver to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease (unless possession is restored to Tenant within 60 days after such taking); the attachment, execution, or judicial seizure of substantially all of Tenant's assets located at the Premises or Tenant's interest in this Lease (unless such attachment, execution, or judicial seizure is discharged within 60 days after such attachment, execution, or judicial seizure); or, if Tenant is a partnership or consists of more than one person or entity, any partners of the partnership or any such other person or entity becoming bankrupt or insolvent or making a general arrangement or assignment for the benefit of creditors.

25. Landlord's Remedies. Landlord shall have the following remedies if Tenant commits an Event of Default under this Lease. These remedies are not exclusive, but are cumulative and in addition to any remedies provided elsewhere in this Lease or now or later allowed by Laws.

25.1 Continuation of Lease. No act by Landlord shall terminate Tenant's right to possession unless Landlord notifies Tenant in writing that Landlord elects to terminate Tenant's right to possession. As long as Landlord does not terminate Tenant's right to possession, Landlord may (i) continue this Lease in effect, (ii) continue to collect Rent when due and enforce all the other provisions of this Lease, and (iii) enter the Premises and relet them, or any part of them, to third parties for Tenant's account, for a period shorter or longer than the remaining Term of this Lease. Tenant shall immediately pay to Landlord all costs Landlord incurs in such reletting, including, without limitation, brokers' commissions, attorneys' fees, advertising costs, and expenses of remodeling the Premises for such reletting. The parties agree that Landlord is to have the remedy described in California Civil Code Section 1951.4 (which effectively provides that a lessor may continue a lease in effect after the lessee's breach and recover rent as it becomes due), and the Tenant hereby acknowledges that this Lease meets the requirements of such statutory provision and that Tenant's rights to sublet or assign hereunder are subject only to reasonable limitations.

25.2 Rent from Reletting. If Landlord elects to relet all or any portion of the Premises as permitted above, rent that Landlord receives from such reletting shall be applied to the payment of, in the following order and priority, (i) any indebtedness from Tenant to Landlord other than Rent due from Tenant, (ii) all costs incurred by Landlord in such reletting, and (iii) Rent due and unpaid under this Lease. After applying such payments as referred to above, any sum remaining from the rent Landlord receives from such reletting shall be held by Landlord and applied in payment of future Rent as it becomes due under this Lease. In no event shall Tenant be entitled to any excess rent received by Landlord unless and until all obligations of Tenant under this Lease, including all future obligations, are satisfied in full.

25.3 Termination of Tenant's Right to Possession. Landlord may terminate Tenant's right to possession of the Premises at any time, by notifying Tenant in writing that Landlord elects to terminate Tenant's right to possession. Such written notice will result in the immediate termination of this Lease upon the date such right of possession is terminated. Upon termination of this Lease, Landlord has the right to recover from Tenant (i) the worth at the time of the award of the unpaid Rent which had been earned at the time of such termination, (ii) the worth at the time of the award of the amount by which the unpaid Rent which would have been earned after such termination until the time of award exceeds the amount of such loss of Rent that Tenant proves could have been reasonably avoided, (iii) the worth at the time of the award

of the amount by which the unpaid Rent for the balance of the Term after the time of award (had there been no such termination) exceeds the amount of such loss of Rent that Tenant proves could be reasonably avoided, and (iv) any other amount necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform Tenant's obligations under this Lease or in the ordinary course of things would be likely to result therefrom, and (v) the unamortized cost of broker commissions paid for this Lease, the unamortized cost of any improvements to the Premises installed by or paid for by Landlord, and full reimbursement for any free or abated rent occupancy periods granted to Tenant. The "worth at the time of the award" of the amounts referred to in clauses (i) and (ii) above is to be computed by allowing interest at the Default Rate. The "worth at the time of the award" of the amount referred to in clause (iii) above is to be computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus 1%. If Landlord takes possession of the Premises pursuant to the authority herein granted, then Landlord shall have the right to keep in place and use all of the furniture, fixtures and equipment at the Premises, including that which is owned by or leased to Tenant at all times prior to any foreclosure thereon by Landlord or repossession thereof by any lessor thereof or third party having a lien thereon. Landlord shall also have the right to remove from the Premises (without the necessity of obtaining a distress warrant, writ of sequestration or other legal process and without being liable for prosecution or any claim for damages therefor) all or any portion of such furniture, fixtures, equipment and other property located thereon and place the same in storage at any place within the county in which the Premises is located or dispose of the same; and in such event, Tenant shall be liable to Landlord for costs incurred by Landlord in connection with such removal, storage, and/or disposal and shall indemnify and hold Landlord harmless from all loss, damage, cost, expense, and liability in connection with such removal, storage and/or disposal. Landlord shall also have the right to relinquish possession of all or any portion of such furniture, fixtures, equipment, and other property to any person ("Claimant") claiming to be entitled to possession thereof who presents to Landlord a copy of any instrument purporting to have been executed by Tenant (or any predecessor of Tenant) granting Claimant the right under various circumstances to take possession of such furniture, fixtures, equipment or other property, without the necessity on the part of Landlord to inquire into the authenticity of said instrument and without the necessity of Landlord's making any investigation or inquiry as to the validity of the factual or legal basis upon which Claimant purports to act; and Tenant agrees to indemnify, defend and hold Landlord Parties harmless from all cost, expense, loss, damage, and liability incident to Landlord's relinquishment of possession of all or any portion of such furniture, fixtures, equipment, or other property to Claimant. Should Tenant abandon the Premises and leave property therein, Landlord may elect whether or not to accept the property, liquidate said property and apply the proceeds against any sums due and owing by Tenant, or to dispose of said property, and Tenant waives any claim to such property after any such abandonment. For purposes of the foregoing, Tenant shall be deemed to have abandoned its interest in such property if the same is not removed from the Premises by Tenant within 10 days after Landlord's proper demand that Tenant remove same, or within 10 days after expiration or earlier termination of this Lease, whichever first occurs. Notwithstanding the foregoing, Landlord shall also be entitled to exercise its rights pursuant to California Civil Code Section 1980 et. seq. with respect to the disposition of Tenant's personal property. The provisions of this Paragraph 25.3 shall additionally apply at the time of Tenant's surrender of the Premises pursuant to Paragraph 20.1. The provisions hereof shall survive the termination of this Lease.

25.4 Landlord's Right to Cure Default. Landlord, at any time after Tenant commits an Event of Default, may cure such Event of Default at Tenant's sole cost. If Landlord at any time, by reason of Tenant's default or breach, pays any sum or does any act that requires the payment of any sum, such sum shall be due immediately from Tenant to Landlord at the time such sum is paid, along with a supervisory fee in the amount of 10% of such amount so expended by Landlord, and shall be deemed Additional Rent under this Lease. If Tenant fails to timely pay any amount due under this Paragraph within 10 business days of receipt of Landlord's invoice for such costs, then (without curing such default) interest at the Default Rate shall accrue (and be immediately payable) on such overdue amount until it is paid.

25.5 Enforcement Costs. All costs and expenses incurred by Landlord in connection with collecting any amounts and damages owing by Tenant pursuant to the provisions of this Lease, or to enforce any provision of this Lease, including reasonable attorneys' fees, whether or not any action is commenced by Landlord, shall be paid by Tenant to Landlord upon demand. If Tenant fails to timely pay any amount due under this Paragraph, then (without curing such default) interest at the Default Rate shall accrue (and be immediately payable) on such overdue amounts until it is paid.

25.6 Independent Covenants. If Landlord shall commence any proceeding for nonpayment of Rent, or any other payment of any other kind to which Landlord may be entitled, or which it may claim hereunder, Tenant will not interpose any counterclaim or setoff of whatever nature or description, (other than compulsory counterclaim) in such proceedings. The parties hereto specifically agree that Tenant's covenants to pay Rent or any other payments required of it hereunder are independent of all other covenants and agreements herein contained and, as such, among other things, Tenant shall have no offset rights against the Rent payable hereunder by Tenant to Landlord. The foregoing shall not be construed as a waiver of Tenant's right to assert any such claim in a separate action brought by Tenant against Landlord nor a waiver of any compulsory counterclaim under applicable Laws.

26. Interest and Late Charges. Late payment by Tenant to Landlord of Rent or other charges will cause Landlord to incur costs not contemplated by this Lease, the exact amount of which would be impracticable or extremely difficult to fix. Such costs include, without limitation, processing, collection and accounting charges, and late charges that may be imposed on Landlord by the terms of any deed of trust covering the Premises. Therefore, if any Rent or other charge (in the form of good funds) is not received by Landlord within 10 days of its due date, then, without any requirement for notice to Tenant, Tenant shall owe and pay to Landlord an additional sum of 3% of such overdue amount as a late charge. Such late charge represents a fair and reasonable estimate of the costs that Landlord will incur by reason of any late payment by Tenant, and therefore this Paragraph is reasonable under the circumstances existing at the time this Lease is made. Acceptance of such late charge by Landlord shall not constitute a waiver or cure of Tenant's default with respect to such overdue amount, nor prevent Landlord from exercising any of the other rights and remedies available to Landlord under this Lease any or all of which may be exercised before, concurrently, or after Landlord's exercise of its rights hereunder. In addition to the late charge payable by Tenant, as provided above, if any such Rent or other charge is not paid within 30 days of the date such Rent or other charge was due, then Tenant shall pay to Landlord interest on such overdue Rent or other charge (from such 30th day until all amounts, including interest, are paid in full) at the rate of 7% per annum above the "reference rate" announced from time to time by Bank of America, NT&SA or the maximum amount permitted by Laws, whichever is less (the "Default Rate"). If such reference rate ceases to be announced, then a comparable "prime rate" shall be utilized, as selected by Landlord.

27. Landlord Default— Tenant's Remedies. Landlord shall not be in default hereunder unless Landlord fails to perform the obligations required of Landlord within a reasonable time, but in no event later than 30 days after notice by Tenant to Landlord, and to the holder of any first mortgage or deed of trust covering the Premises, whose name and address shall have theretofore been furnished to Tenant, specifying the nature of Landlord's failure to perform; provided, however, that if the nature of Landlord's obligation is such that more than 30 days are required for performance, then Landlord shall not be in default if Landlord commences performance within such 30-day period and thereafter diligently prosecutes the same to completion. In no event shall Tenant have the right to terminate this Lease as a result of Landlord's default, and Tenant's remedies shall be limited to monetary damages; provided, however, that in no event shall Landlord be liable under any circumstances for any consequential damages incurred by Tenant, including, without limitation, any injury to, or interference with, Tenant's business (including any loss of profits), arising in connection with this Lease. Nothing herein contained shall be interpreted to mean that Tenant is excused from paying Rent due hereunder as a result of any default by Landlord.

28. Quarterly Payments. If a late charge is payable under this Lease, whether or not collected, for two installments of Basic Monthly Rent or Additional Rent due under this Lease during any one calendar year during the Term, then Basic Monthly Rent and Additional Rent shall automatically become due and payable quarterly in advance, rather than monthly. All monies paid to Landlord under this Paragraph may be commingled with other monies of Landlord and shall not bear interest. If Tenant breaches any provision of this Lease, then any balance remaining from funds paid to Landlord under the provisions of this Paragraph may, at Landlord's election, be applied to the payment of any monetary default of Tenant in lieu of being applied to the payment of personal property taxes, real property taxes and insurance premiums. Further, if three or more installments of Basic Monthly Rent or Additional Rent due under this Lease, or if any three payments made by Tenant in the form of a personal or business check are returned by the bank it was drawn upon for whatever reason, including, but not limited to, insufficient funds, then Landlord, at Landlord's option, may require Tenant to submit all future payments to Landlord in the form of a certified cashier's check, money order, or by wire transfer with all wire transfer fees of both Landlord and Tenant being the responsibility of Tenant. Tenant's obligation to provide payment in the aforementioned manner shall continue in full force and effect until Landlord, in its reasonable discretion, determines otherwise. Tenant further agrees to reimburse Landlord, as Additional Rent, Landlord's actual costs imposed by Landlord's bank or financial institution arising from Tenant's returned check(s). These costs shall be in addition to any late charges payable by Tenant pursuant to this Lease.

29. Destruction. If the Building is totally or partially destroyed during the Term, rendering the Premises totally or partially inaccessible or unusable, then, subject to the remainder of this Paragraph 29, (i) Landlord shall promptly commence work necessary to restore the Building to substantially the same condition as it was in immediately before such destruction and shall diligently prosecute such restoration work until completed, (ii) Landlord shall not be required to restore Tenant's Alterations or Tenant's Personal Property, unless they are fixtures in the Premises and they are specifically covered by insurance proceeds received by Landlord, such excluded items being the sole responsibility of Tenant to restore, (iii) such destruction shall not terminate this Lease (except as provided below), and (iv) all obligations of Tenant under this Lease shall remain in effect, except that the Basic Monthly Rent and Additional Rent shall be abated or reduced, between the date of such destruction and the date of Substantial Completion of restoration, by the ratio of (a) the Rentable Square Footage of the Premises rendered unusable or inaccessible by the destruction, to (b) the Rentable Square Footage of the Premises prior to such destruction. Notwithstanding anything to the contrary in this Paragraph, either party shall have 10 business days from the date of Landlord's determination that this sentence applies to the subject destruction/reconstruction, in which to terminate this Lease if Landlord determines that (1) it will likely take more than either (A) 330 days following the date of such casualty, or (B) 270 days after obtaining all required permits for such reconstruction, in which to complete such work, (2) such destruction (which is not de minimus in nature) occurs during the last year of the Term, or (3) then-existing Laws do not permit such restoration. Additionally, Landlord may, at its election, terminate this Lease by so notifying Tenant in writing on or before the later of 60 days after such destruction or 30 days after Landlord's receipt of the proceeds (or written notice of the amount of proceeds) from insurance maintained by Landlord, if (I) such destruction exceeds 20% of the then-replacement value of the Premises, the Building, or the Project, or (II) Landlord reasonably determines that the cost of such restoration will exceed the amount of insurance proceeds relating to such destruction actually received by Landlord from insurance maintained by Landlord, excluding deductibles, by more than 5% of such cost of restoration. If Landlord or Tenant so terminates this Lease, then (x) Landlord shall have no obligation to restore the Project, (y) Landlord shall retain all insurance proceeds relating to such destruction, and (z) this Lease shall terminate as of 30 days after such notice of termination from Landlord to Tenant. Tenant hereby waives the provisions of California Civil Code Sections 1932(2) and 1933(4) or any successor statute with respect to any destruction of the Premises. If Landlord restores the Premises following any such destruction, Tenant shall immediately refixturate, re-equip, and (if applicable) restock the Premises and shall re-open the Premises for business as soon thereafter as is reasonably practicable, not to exceed 60 days. If Tenant does not intend to so reopen the Premises for business, it must notify Landlord in writing within 20 business days of such damage or destruction, whereupon Landlord may cease its repair work and terminate this Lease. Additionally, if Landlord fails to Substantially Complete such restoration work within one year, Tenant may, by giving 30 days' written notice to Landlord delivered after such year (during which period of time such restoration is not Substantially Completed), terminate this Lease.

30. Condemnation. If during the Term, or during the period of time between the execution of this Lease and the Lease Commencement Date, there is any taking of all or any part of the Premises or any interest in this Lease by the exercise of any governmental power, whether by legal proceedings or otherwise, by any public or quasi-public authority, or private corporation or individual, having the power of condemnation (any of the preceding a "Condemnor"), or a voluntary sale or transfer by Landlord to any Condemnor, either under threat of condemnation or while legal proceedings for condemnation are pending (any of the preceding, a "Condemnation"), the rights and obligations of Landlord and Tenant shall be determined pursuant to this Paragraph 30. If such Condemnation is of the entire Premises, then this Lease shall terminate on the date the Condemnor takes possession of the Premises (the "Date of Condemnation"). If such Condemnation is of any portion, but not all, of the Premises, then this Lease shall remain in effect, except that, if the remaining portion of the Premises is rendered unsuitable for Tenant's continued use of the Premises, then Tenant may elect to terminate this Lease, by so notifying Landlord in writing (the "Termination Notice") within 30 days after the date that the nature and extent of the Condemnation have been determined. Such termination shall be effective on the earlier of (i) the date that is 30 days after the delivery of the Termination Notice, or (ii) the Date of Condemnation. If Tenant does not deliver the Termination Notice to Landlord within such 30-day period, then all obligations of Tenant under this Lease shall remain in full force and effect, except that (unless the Premises are restored as set forth below) Basic Monthly Rent shall be reduced by the ratio of (a) the Rentable Square Footage of the Premises taken by the Condemnation to (b) the Rentable Square Footage of the Premises immediately prior to the Date of Condemnation. Notwithstanding anything to the contrary in this Paragraph, if, within 30 days after Landlord's receipt of the Termination Notice, Landlord notifies Tenant that Landlord at its cost will add to the remaining Premises (or substitute for the Premises other comparable space in the Project) so that the Rentable Square Footage of the Premises will be substantially the same after the Condemnation as they were before the Condemnation, and Landlord commences the restoration promptly and completes it within 150 days after Landlord so notifies Tenant, then all obligations of Tenant under this Lease shall remain in effect, except that Basic Monthly Rent and Additional Rent shall be abated or reduced during the period from the Date of Condemnation until the completion of such

restoration by the ratio of (A) the Rentable Square Footage of the Premises taken by the Condemnation to (B) the Rentable Square Footage of the Premises immediately prior to the Date of Condemnation. Unless Landlord restores the Premises pursuant to the preceding sentence, or unless Tenant gives to Landlord the Termination Notice within the relevant 30-day period, Tenant at its sole cost and expense shall accomplish any restoration required by Tenant to use the Premises. A temporary Condemnation of the Premises, or any part of the Premises, for less than 180 days, shall not constitute a Condemnation under this Paragraph; but the Basic Monthly Rent shall abate as to the portion of the Premises affected during such temporary Condemnation. All compensation, sums, or anything of value awarded, paid, or received as a result of a total or partial Condemnation (the "Award") shall belong to and be paid to Landlord. Tenant shall have no right to any part of the Award, and Tenant hereby assigns to Landlord all of Tenant's right, title, and interest in and to any part of the Award, except that Tenant shall receive from the Award any sum paid expressly to Tenant from the Condemnor for Tenant's Personal Property or for severance damages. Landlord and Tenant waive the provisions of any statute (including without limitation California Code of Civil Procedure Section 1265.130 or any successor statute) that allows Landlord or Tenant to petition the superior court (or any other court) to terminate this Lease in the event of a partial Condemnation of the Premises.

31. Assignment and Other Transfers.

31.1 Restriction on Transfer. Without Landlord's prior written consent, which shall not be unreasonably withheld, conditioned or delayed, and except as permitted by Paragraph 31.3, below, none of the following shall occur (nor be permitted by Tenant to occur), voluntarily, involuntarily, by operation of Laws, or otherwise (any of the following, a "Transfer"): (i) any assignment, sublease, disposition, sale, concession, license, license agreement for the use of any portion of the Premises, mortgage, encumbrance, hypothecation, pledge, collateral assignment, or other transfer, by Tenant of this Lease, any interest in this Lease, or all or any portion of the Premises; or (ii) any assignment, disposition, sale, transfer, acquisition, or issuance of equitable interests (whether stock, partnership or otherwise) in Tenant, to or by any person, entity, or group of related persons or affiliated entities, whether in a single transaction or in a series of related or unrelated transactions, which results in such person, entity, or group holding (or assigning, transferring, disposing of, or selling) 50% or more of the aggregate issued and outstanding equitable interests in Tenant.

31.2 Transfer Provisions Generally.

31.2.1 Landlord shall not be liable in damages to Tenant or to any proposed subtenant, assignee or other transferee (any of the preceding, a "Proposed Transferee") if such consent is adjudicated to have been unreasonably withheld, and, in such event, Tenant's sole remedy shall be to have the proposed Transfer declared as valid as if Landlord's consent had been given, although Tenant shall be entitled to reasonable attorney's fees if Tenant is the prevailing party in such litigation. At least 30 days prior to entering into any proposed Transfer, Tenant shall submit to Landlord the non-refundable sum of \$2,000 (as payment toward Landlord's and Landlord's attorneys' cost of reviewing, consenting to, rejecting and/or consummating any proposed Transfer), and a written notice ("Tenant's Notice") which includes (i) a draft copy of the proposed instrument of transfer (i.e., the sublease or assignment instrument) relating to the proposed Transfer, along with all related agreements, documents, instruments, exhibits, and escrow instructions, (ii) the name and address of the Proposed Transferee, (iii) an abstract of the terms and conditions of the proposed Transfer, including without limitation the economics of such Proposed Transfer and the commencement or effective date of the proposed Transfer, which shall be at least 30 days after Tenant's Notice is given, and (iv) the nature, character, and current banking, financial, and other credit information and references with respect to the Proposed Transferee and the business of the Proposed Transferee (including without limitation tax returns for the three most-recent years, a business plan with cash-flow projections and financial projections with assumptions and competitive market analysis), in reasonably sufficient detail to enable Landlord to determine the Proposed Transferee's financial responsibility.

31.2.2 Within 30 days after Landlord's receipt from Tenant of such sum and Tenant's Notice, and all documentation requested of Tenant by Landlord, Landlord shall notify Tenant whether Landlord has consented to the proposed Transfer. Any consent by Landlord to any proposed Transfer shall not constitute a consent with respect to any other Transfer. If Landlord consents to any proposed Transfer, and Tenant fails to consummate such Transfer within 30 days of the commencement or effective date of the proposed Transfer (as set forth in Tenant's Notice) or, if Tenant's Notice fails to identify such a date, then within 150 days after the date of Tenant's Notice, such consent shall be deemed withdrawn and Tenant shall be required again to comply with this Paragraph 31.2.2 before making a Transfer. Landlord shall not have unreasonably withheld its consent with respect to any Transfer if (among other things) Landlord shall not have received such sum or Tenant's Notice, if the nature or character of the Proposed

Transferee is not in keeping with the dignity and character of the Building and the surrounding area, if the Proposed Transferee's proposed use is materially and adversely different than the Permitted Use or Tenant's prior use, if the proposed Transfer will result in the diminution of the value or marketability of the Building or the Project, if Landlord is not reasonably satisfied that the Proposed Transferee is creditworthy, or if the proposed Transfer will conflict with or result in a breach of any of the provisions of, or constitute a default under, any agreement, instrument, or document to which Landlord is a party or by which the Project may be bound. No Transfer shall release or discharge Tenant from any liability, whether past, present, or future, under this Lease and Tenant shall continue to remain directly and primarily liable under this Lease (and not as a mere surety); provided, however, that as a condition to granting consent to any Transfer, Landlord may require the assigning Tenant to execute a guaranty on Landlord's standard form—which guaranty shall serve to release such assigning Tenant from direct liability hereunder and such assigning Tenant's liability for matters accruing under this Lease thereafter shall be pursuant to such guaranty and not under the Lease, but Tenant shall continue to be liable for any claims and liability accrued prior to such Transfer (it being understood that if such assigning Tenant fails to execute such guaranty, the such assignment shall constitute an Event of Default, such Transfer will be void, and such assigning Tenant shall remain primarily liable hereunder). Tenant irrevocably assigns to Landlord, as security for Tenant's obligations under this Lease, all rent and other amounts generated from any Transfer, and Landlord, as assignee and as special attorney-in-fact for Tenant, or a receiver for Tenant appointed on Landlord's application, may collect such rent and other amounts and apply them toward Tenant's obligations under this Lease; provided, however, that unless an Event of Default occurs under this Lease, Tenant shall have the right to collect such rent and other amounts. Nothing stated in this Paragraph 31 shall be construed as extending to any Proposed Transferee any third party beneficiary rights to this Lease or the Premises.

31.2.3 Unless otherwise agreed to by all parties, the Tenant's Security Deposit (if any) shall be retained by Landlord and returned to the lawful tenant in possession of the Premises at the time of the Lease termination, subject to the terms and conditions of Paragraph 6 of this Lease. Any Transfer documentation shall contain the following provisions, which provisions whether contained in such Transfer documentation or not, shall apply to such Transfer: (a) such Transfer shall be subject and subordinate to, and bound by, all provisions of this Lease; (b) no Proposed Transferee shall be permitted to enter into any Transfer without Landlord's prior written consent; and (c) at Landlord's option, in the event of cancellation or termination of this Lease for any reason or the surrender of this Lease, whether voluntarily, involuntarily, by operation of Laws or otherwise, prior to the expiration of such Transfer, the Proposed Transferee shall make full and complete attornment to Landlord for the balance of the term of such Transfer. Such attornment shall be evidenced by an agreement in form and substance reasonably satisfactory to Landlord that the Proposed Transferee shall execute and deliver to Landlord within 5 days after request by Landlord.

31.2.4 Tenant shall promptly reimburse Landlord up to \$3,000 for Landlord's reasonable cost (less the \$2,000 previously paid) of reviewing, consenting to, rejecting and/or consummating any proposed Transfer, including without limitation reasonable and documented attorneys' fees and costs and fees of Landlord's Lender (if any) in connection therewith. If Tenant fails to pay such amount within 10 business days of written demand, Tenant shall be in default hereunder and Landlord shall have the right, in addition to its other rights and remedies under this Lease, to revoke its prior approval of the proposed Transfer if such Proposed Transferee has not yet taken possession of the Premises.

31.3 Excess Rent and Recapture. Tenant shall promptly pay to Landlord, as and when received, 50% of all rents and other consideration after all of Tenant's reasonable third-party expenses incurred in connection with such Transfer are deducted, of whatever nature, payable by the Proposed Transferee (or receivable by Tenant) pursuant to or as a result of any Transfer, which exceed (i) in the case of a sublease of a portion of the Premises, the portion of the Basic Monthly Rent that is allocable to the portion of the Premises subleased (such allocation based on the Rentable Square Footage of the portion subleased), or (ii) in the case of any other Transfer, the Basic Monthly Rent. Landlord additionally has the right, in the event Tenant indicates in the Tenant's Notice that it desires to assign this Lease or sublet greater than 50% of the Premises, at its election, by giving written notice (the "Recapture Notice") to Tenant within 15 days after receipt of Tenant's Notice, to recapture the Premises and terminate this Lease. If Landlord elects to exercise such right and delivers a Recapture Notice to Tenant, this Lease shall automatically be deemed terminated as of the commencement or effective date stated in Tenant's Notice for the proposed Transfer, and Tenant shall surrender possession of the Premises as of such date (and any failure to do so shall constitute a default hereunder). Landlord's giving of a Recapture Notice shall not constitute Landlord's consent to Tenant's proposed Transfer.

31.4 Permitted Transferee. Notwithstanding anything to the contrary contained in Paragraphs 31.1 or 31.3, above, no consent of Landlord will be required for, and no amounts will be payable to Landlord in connection with, any assignment or subletting to any of the following (any of which will constitute a “Permitted Transferee”):

31.4.1 Any parent, wholly-owned subsidiary, or other company of which Tenant owns all or substantially all of the voting and beneficial interests, or which company owns all or substantially all of the voting and beneficial interests in Tenant, and which parent, subsidiary, or other company has a tangible net worth (excluding good will as an asset) (determined in accordance with GAAP) equal to or greater than Tenant’s tangible net worth (excluding good will as an asset) as of the day before such proposed Transfer or as of the Lease Commencement Date, whichever is more;

31.4.2 Any surviving or successor entity resulting from a merger, consolidation, or sale of substantially all of the assets of Tenant, where the tangible net worth (excluding good will as an asset) of the resulting or acquiring company exceeds (as determined in accordance with GAAP), the tangible net worth (excluding good will as an asset) of the Tenant as of the day before such proposed Transfer or as of the Lease Commencement Date, whichever is more; or

31.4.3 Any sale of stock as part of a “public offering” on one of the nationally recognized securities exchanges (such as, without limitation, NYSE or NASDAQ).

Notwithstanding the foregoing, and as a condition precedent to the effectiveness of any such Transfer to a Permitted Transferee, at least 20 days prior to any proposed Transfer to a Permitted Transferee, Tenant shall notify Landlord in writing of its intention to undertake such a Transfer and provide Landlord with sufficient information to confirm that such entity will in fact be a Permitted Transferee and the assigning Tenant shall execute Landlord’s form guaranty— which guaranty shall serve to release such assigning Tenant from direct liability hereunder and such assigning Tenant will then have liability for matters accruing under this Lease thereafter pursuant to such guaranty and not under the Lease, but Tenant shall continue to be liable for any claims and liability accrued prior to such Transfer (it being understood that if such assigning Tenant fails to execute such a guaranty, then such assignment shall constitute an Event of Default, such Transfer will be void, and such assigning Tenant shall remain primarily liable hereunder). Landlord shall keep all such information pertaining to a proposed Transfer or a Proposed Transferee confidential. Other than the right to engage in such a Transfer to a Permitted Transferee without Landlord’s consent, all other provisions of Paragraph 31.2 shall apply to such a Transfer.

31.5 Assignment by Landlord. Landlord may transfer or assign its interest in this Lease, the Building and/or the Premises to any person or entity assuming Landlord’s obligations under this Lease without Tenant’s consent. Upon any such transfer or assignment, Landlord shall be released from any further obligation hereunder, and Tenant agrees to look solely to such successor in interest of the Landlord for performance of such obligations. Any security given by Tenant to secure performance of Tenant’s obligations hereunder may be assigned and transferred by Landlord to such successor in interest, and Landlord shall thereby be discharged of any further obligation relating thereto.

32. Landlord’s Reserved Rights.

32.1 General Rights Reserved. In addition to specific reserved rights identified elsewhere in this Lease, below, Landlord, as owner of the Project, in addition to Landlord’s other rights, reserves the right from time to time: (i) to temporarily utilize portions of the Common Areas for, among other things, entertainment, outdoor shows, displays, automobile and other product shows, the leasing of kiosks, or such other uses which, in Landlord’s sole discretion, are appropriate; (ii) to utilize the lighting standards and other areas or improvements in the Common Areas for advertising, notice purposes, or other reasonable purposes; (iii) to close any of the Common Areas to the extent required in the opinion of Landlord’s legal counsel to prevent a dedication of any of the Common Areas or the accrual of any rights to any person or to the public in and to any portion of the Common Areas; (iv) to close, temporarily, any of the Common Areas for maintenance purposes; (v) to designate other property outside the boundaries of the Project to become part of the Common Areas; (vi) to close off or otherwise utilize portions of the Common Areas while constructing improvements or making repairs or alterations to any portion of the Project; (vii) to utilize portions of the Common Areas, on a temporary basis, as a staging area for any construction work by Landlord or its affiliates, agents, tenants, or contractors; and (viii) to make any changes to the Common Areas, or any part of the Project, including without limitation changes to buildings or other improvements, the addition of new buildings or other improvements, and/or changes in (among other things) the location of driveways, entrances, exits, vehicular parking spaces, or the direction of the flow of traffic. In exercising such rights, Landlord agrees to use commercially reasonable efforts to minimize any interference with Tenant’s use of the Premises.

32.2 Future Construction. Tenant acknowledges that, as more particularly provided below, the development of the Project is continuing and may, at Landlord's election, include the construction of additional buildings and improvements within the Project, including in areas which currently constitute Common Areas. Tenant is entering into this Lease with a full understanding of the possible ramifications/effects of such future development work on its tenancy and the rental charged hereunder takes such factors into account. Tenant further acknowledges and agrees that Landlord may, from time to time, at its sole election, construct (including, without limitation, additional buildings), reconstruct (including without limitation the replacement of certain improvements with other improvements), improve (including tenant improvements), modify, expand, or otherwise alter the Project or portions thereof, including a remodel, renovation, or refurbishment of the Premises (collectively, "Construction Work") (in no event however will Landlord have any obligation to do so). Landlord agrees to use commercially reasonable efforts to minimize any interruption or interference with the use of the Premises in connection with any Construction Work. Tenant acknowledges that any such Construction Work will necessarily involve, among other things, the generation of noise, dust, and vibrations, barricading portions of the Project and the placement of scaffolding within the Project, demolition, structural alterations, storage of materials and equipment within the Project, and the presence of workmen within the Project, all of which may require the rearrangement of the Common Areas, including, without limitation, landscaping, parking areas (which may include the provision of temporary parking areas during periods of construction), roadways, lighting facilities, and the re-direction of vehicular and pedestrian traffic. Tenant agrees that the performance of any Construction Work shall not constitute an eviction (constructive or otherwise). Further, Landlord hereby reserves such licenses and easements in, on, above or below the Premises as may be reasonably required (i) for the installation, inspection, surveying, maintenance, or construction of mains, conduits, shafts, columns, footings, piers, pipes or other facilities to serve any building within the Project, or (ii) for any Construction Work; provided, however, Landlord will use its commercially reasonable efforts to minimize any unreasonable interference with Tenant's use, occupancy, or enjoyment of the Premises as contemplated by this Lease. Except as provided below, Tenant waives any and all claims, defenses, rights of offset, or deductions based upon any inconvenience suffered by Tenant or any interruption of or interference with Tenant's business including, without limitation, any loss of business, decreased sales, damage to property, loss of electronic information, or inconvenience to Tenant or Tenant's Invitees as a result of or relating to such Construction Work. Landlord hereby reserves for itself and its agents, employees, licensees and contractors, the right to enter the Premises to the extent reasonably necessary to pursue such Construction Work upon twenty-four (24) hours' prior notice to Tenant. The exercise of any of Landlord's rights pursuant to this Paragraph will not entitle Tenant to any abatement of Rent or other claim, right of offset, or defense against Landlord, except that (subject to the provisions of Paragraphs 19, 36, 44, and other provisions of this Lease) (a) Tenant shall have the right to bring an action against Landlord (as Tenant's sole remedy) in the event Tenant suffers any damages as a result of Landlord's negligent acts or negligent omissions in pursuing such Construction Work, and (b) if such Construction Work results in Tenant being unable to access the Premises, or portions thereof, for the Permitted Use for a period of greater than 5 business days, Tenant shall be entitled (as Tenant's sole remedy with respect to such lack of access) to equitable abatement of the Rent for such period of time during which it is unable to access the Premises. The foregoing rights will constitute Tenant's sole and absolute rights against Landlord or otherwise in connection with any such Construction Work and Tenant releases and waives any other claims, defenses, or rights in connection therewith. Tenant further acknowledges that expansion of the Project may affect the amount of the Operating Expenses and the portion thereof payable by Tenant.

33. Easements. Landlord may, at its election, from time to time, grant such easements, rights and dedications, and cause the recordation of parcel maps, easement and operating agreements, and restrictions affecting the Premises and the Project, provided that no such acts materially and adversely affect Tenant's rights of ingress or egress to the Building and the Premises or Tenant's right to use the Premises. Tenant shall promptly sign any documents or instruments to accomplish the foregoing upon request by Landlord. Tenant irrevocably appoints Landlord as Tenant's special attorney-in-fact to execute and deliver such documents or instruments on behalf of Tenant if Tenant refuses or fails to do so within 10 days after Landlord's written request.

34. Access by Landlord. Landlord and any of Landlord's Invitees shall have the right to enter the Premises at all reasonable times, during normal business hours if feasible under the circumstances, and upon 24 hours' notice, if feasible under the circumstances, (i) to determine whether the Premises are in good condition and whether Tenant is complying with its obligations

under this Lease, (ii) to do any necessary maintenance or make any restoration to the Premises that Landlord has the right or obligation to perform, (iii) to serve, post, or keep posted any notices required or allowed under this Lease, (v) to post "for sale" or "for rent" or "for lease" signs during the final nine months of the Term, (vi) to show the Premises to brokers, lenders, agents, prospective buyers, prospective tenants, or other persons interested in a listing of, financing, purchasing, or occupying the Project, the Premises or any portion of the Project or the Premises, and (vii) to shore the foundations, footings, and walls of the Project, and to erect scaffolding and protective barricades around and about the Premises, but not so as to prevent entry to the Premises, and to do any other act or thing necessary for the safety or preservation of the Premises if any excavation or other construction is undertaken or is about to be undertaken on any adjacent property or nearby street. In the event of an emergency Landlord shall have the right to enter the Premises at any time, without prior notice to Tenant. Landlord's rights under this Paragraph extend, with Landlord's consent, to the owner of adjacent property on which excavation or construction is to take place and the adjacent property owner's agents, employees, officers, and contractors. Landlord shall not be liable for any inconvenience, disturbance, loss of business, nuisance, or other damage arising out of any entry on the Premises as provided in this Paragraph except damage resulting directly from the grossly negligent acts or willful misconduct of Landlord or Landlord's Invitees. Tenant shall not be entitled to any abatement or reduction of Basic Monthly Rent or other Rent because of the exercise by Landlord of any rights under this Paragraph.

35. Indemnity. Tenant hereby agrees to indemnify, defend, protect, and hold harmless Landlord and its shareholders, officers, directors, agents, property managers, employees, contractors, and the partners comprising Landlord (if any) from and against any and all liabilities, damages, losses, costs, expenses, attorneys' fees, and claims, including, without limitation, any and all costs, expenses, and attorneys' fees incurred in the defense or handling of any such claims and/or any action or proceeding brought on any of such claims (collectively, "Claims") (except to the extent they result from Landlord's grossly negligent acts or willful misconduct) arising from or which seek to impose liability under or because of (i) Tenant's or Tenant's Invitees' use of the Premises, (ii) the conduct of Tenant's business, (iii) any activity, work, or things done, permitted, or suffered by Tenant or any of Tenant's Invitees in or about the Premises or elsewhere, (iv) any breach or default in the performance of any obligation to be performed by Tenant under this Lease, and/or (v) any negligent acts of Tenant or any of Tenant's Invitees. If any action or proceeding is brought against Landlord or its shareholders, officers, directors, agents, property managers, employees, contractors, or the partners comprising Landlord (if any) by reason of any such Claims, Tenant upon notice from Landlord shall defend such action or proceeding at Tenant's sole cost and expense by legal counsel satisfactory to Landlord.

36. Exemption of Landlord from Liability. Except to the extent caused by Landlord's grossly negligent acts or willful misconduct, Tenant assumes all risk of, Tenant waives all claims against Landlord in respect of, and Landlord shall not be liable for, any of the matters set forth in the preceding Paragraph or any of the following: injury to Tenant's business, loss of income from such business, or damage or injury to the goods, wares, merchandise, or other property or the person of Tenant, Tenant's Invitees, or any other persons in, upon, or about the Premises, whether such damage, loss, or injury is caused by or results from criminal acts, fire, steam, electricity, gas, water, rain, the breakage, leakage, obstruction or other defects of pipes, sewer lines, sprinklers, wires, appliances, plumbing, air-conditioning or lighting fixtures, or any other cause, conditions arising upon the Premises, or other sources or places, and regardless of whether the cause of such damage, loss, or injury or the means of repairing such damage, loss, or injury is inaccessible to Tenant. In connection with the foregoing, Tenant hereby waives any defense that would otherwise be provided by Section 1542 of the California Civil Code (which states "A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party"), or Laws of a similar nature, which would limit any such release to matters known or suspected to exist by Tenant. This Lease shall not be affected or impaired by any change to any part of the Project or any sidewalks, streets or improvements nearby the Project.

37. Hazardous Substances.

37.1 Landlord's Covenants. Landlord hereby notifies Tenant, and Tenant hereby acknowledges that, prior to the leasing of the Premises pursuant to this Lease, Tenant has been notified, pursuant to California Health and Safety Code Section 25359.7, that Landlord knows, or has reasonable cause to believe, that certain hazardous substances (as such term is used in such Section 25359.7), such as common cleaning supplies, office supplies, spillage of petroleum products from motor vehicles, and other consumer products, may be located (now or in the future) on or beneath the Premises and/or the Project. Notwithstanding the foregoing, Landlord shall not cause any unlawful accumulations of Hazardous Materials to be generated, brought onto, used, stored, or disposed of in or about the Premises, the Building, or the Project

by Landlord or its agents, employees, or contractors, except for limited quantities of standard office and janitorial supplies and petroleum and petroleum-related products commonly used on or at similar office projects. Furthermore, Landlord shall: (a) use, store, and dispose of all such permitted Hazardous Material in strict compliance with all applicable statutes, ordinances, and regulations in effect during the Term that govern and/or relate to Hazardous Material, public health and safety and protection of the environment, and (b) comply at all times during the Term with all Environmental Laws (as defined in Paragraph 37.2, below). Except as to those matters which are Tenant's responsibility pursuant to Paragraph 37.2, below, Landlord shall be responsible, at its expense (or the expense of others; but not as an Operating Expense) to cause any unlawful accumulations of Hazardous Materials to be remediated in accordance with the requirements of all applicable Environmental Laws.

37.2 Tenant's Covenants. Tenant covenants, represents, and warrants to Landlord that its use of the Premises, the Building, and the Project will be in full compliance with all Environmental Laws. Tenant hereby agrees to indemnify Landlord against all Claims (except to the extent they arise as a result of Landlord's grossly negligent acts or willful misconduct), arising from or relating to: (i) any discharges, releases, or threatened releases of any Hazardous Materials into ambient air, water, or land by Tenant or Tenant's Invitee's from, on, under, or above the Premises, (ii) the manufacture, processing, distribution, use, treatment, storage, disposal, transport, or handling of pollutants, contaminants, or hazardous or toxic wastes, substances, or materials by Tenant or Tenant's Invitees, or otherwise from, on, or under, the Premises, or (iii) a violation of any Environmental Law on, under, or above the Premises (for purposes of this Lease, "Environmental Laws" shall mean any Federal, State, or local Laws, statute, regulation, ordinance, guideline, or common Laws principle relating to public health or safety or the use or control of the environment, including without limitation the Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Carpenter-Presley-Tanner Hazardous Substance Account Act, the California Hazardous Waste Control Law, the Federal Clean Air Act, the California Air Resources Act, the Federal Clean Water Act, the California Porter-Cologne Water Quality Control Act, the Federal Resource Conservation and Recovery Act, the California Nejedly-Z'berg-Dills Solid Waste Management and Recovery Act, and California Health and Safety Code Section 25359.7) and any other Laws governing environmental or Hazardous Materials matters in California. Tenant shall not cause or permit any Hazardous Materials to be generated, brought onto, used, stored, or disposed of in or about the Premises, the Building, or the Project by Tenant or its agents, employees, contractors, subtenants, or invitees, except for limited quantities of standard office and janitorial supplies. Tenant shall: (a) use, store, and dispose of all such permitted Hazardous Materials in strict compliance with all applicable statutes, ordinances, and regulations in effect during the Term that govern and/or relate to Hazardous Materials, public health and safety and protection of the environment, and (b) comply at all times during the Term with all Environmental Laws. If the Premises are contaminated (or, due to the acts or omissions of Tenant or Tenant's Invitees, the Project is contaminated) by any Hazardous Materials during the Term, then (1) Tenant shall promptly notify Landlord in writing of such contamination, and (2) Landlord may elect to either (A) demand that Tenant perform all remediation required by Landlord (to Landlord's satisfaction and at Tenant's sole cost and expense, necessary to return the Premises (and/or the Project) to at least as good a condition as the Premises (or the Project) are in as of the date of this Lease, which Tenant shall immediately do upon receipt of notice from Landlord, or (B) proceed to cause such investigation, clean-up, and remediation work which Landlord deems necessary or desirable to be undertaken, whereupon the entire cost thereof (plus a supervisory fee equal to 10% of such cost) will be payable by Tenant to Landlord upon demand as Additional Rent. If, after demand by Landlord, as provided in this Paragraph, Tenant does not promptly commence and diligently pursue such remediation, then Landlord may, at Landlord's election, perform or cause to be performed such remediation and Tenant shall immediately, upon demand, pay the cost thereof to Landlord, plus a supervisory fee in the amount of 10% of such cost. Tenant's obligations and liability under this Paragraph 37.2 shall survive the termination of Tenant's tenancy and the Term of this Lease, except that nothing contained in this Paragraph 37.2 shall be deemed to impose liability on Tenant for any contamination arising after the Term of this Lease provided that neither Tenant nor Tenant's Invitees contributed to such contamination during the Term. Tenant acknowledges that it has reviewed the Guidelines for Avoiding Moisture and Mold Problems in the Premises attached hereto as Exhibit "G" (the "Moisture Guidelines"), and agrees to comply with the Moisture Guidelines.

37.3 Definition of Hazardous Materials. As used in this Lease the term "Hazardous Materials" shall mean any material or substance that is (i) defined as a "hazardous waste," "extremely hazardous waste," "restricted hazardous waste," hazardous substance," hazardous material," "waste," "pollutant," "contaminant" or "toxic chemical, material or substance" as any of those terms are defined under (a) the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA) (42 United States Code Sections 9601-9675); (b) the Resource Conservation and Recovery Act of 1976 (RCRA) (42 United States Code

Sections 6901-6992k); or (c) any other Federal, State or local Laws, including any Environmental Laws, statutes, regulations or ordinances (including consent decrees and administrative orders imposing liability or standards of conduct concerning any hazardous, dangerous, or toxic waste, substance, or material, now or hereafter in effect); guideline or common Laws principle having jurisdiction over the Project, Building or Premises, (ii) petroleum, (iii) asbestos in any form or condition, (iv) radioactive material, including any source, special nuclear, or byproduct material and (v) polychlorinated biphenyls (PCBs) and substances or compounds containing PCBs.

38. Prohibition Against Mold, Lead-Based Paint, and Asbestos-Containing Materials. Tenant shall not allow or permit any lead-based paint to be used in the Premises, nor shall Tenant allow or permit any condition, conduct or omission at the Premises, or anywhere on the Project, that will promote or allow the production or growth of mold spores, fungus, or other similar organism within the Premises. Additionally, Tenant shall not allow or permit any materials which contain asbestos in any form or concentration ("Asbestos-Containing Materials") to be used or stored in the Premises or used in the construction of any improvements or alterations to the Premises, including, without limitation, building or construction materials and supplies. Such prohibition against Asbestos-Containing Materials shall apply regardless of whether the Asbestos-Containing Materials may be considered safe or approved for use by a manufacturer, supplier, or governmental authority, or by common use or practice. Landlord shall have the right, upon 24-hours' notice, to enter upon and conduct inspections of the Premises to determine Tenant's compliance with this Paragraph 38. If Tenant violates the foregoing covenants relating to lead-based paint, mold, and Asbestos-Containing Materials (collectively "Prohibited Substances"), then (a) Tenant shall, upon notice from Landlord, immediately remove and remediate any damage from such Prohibited Substances at Tenant's sole cost and expense, (b) such removal and remediation shall comply with all applicable Laws, (c) Tenant shall reimburse Landlord for all expenses incurred in connection with any inspection and testing of the Premises conducted by Landlord, and (d) unless Tenant completes such removal within 30 days after notice from Landlord, Landlord may, at its election, do either or both of the following: (i) declare an Event of Default under Paragraph 24.4 (for which no notice by Landlord is required) and exercise Landlord's remedies hereunder, including, without limitation, terminate this Lease upon 10 days prior written notice to Tenant, and/or (ii) remove and remediate such Prohibited Substances and obtain reimbursement from Tenant for the cost of such removal and remediation, including a supervisory fee payable to Landlord in the amount of 10% of the removal and disposal cost. Tenant shall indemnify Landlord and Landlord's directors, officers, employees, and agents against all Claims arising from (A) the failure to strictly comply with the obligations under this provision as evidenced by the presence of any Prohibited Substances upon the Premises (B) any lawsuit, settlement, governmental order, or decree relating to the presence, handling, removal, or disposal of Prohibited Substances upon or from the Premises, to the extent that such Prohibited Substances are used, stored, or otherwise permitted in the Premises or used in the construction of any improvements or Alterations to the Premises by Tenant or Tenant's agents, employees, representatives or independent contractors, or (C) Tenant's failure to perform its obligations to remove such Prohibited Substances under this Paragraph 38. The provisions of this Paragraph 38 shall not apply to any Prohibited Substances brought onto the Premises by Landlord or Landlord's Invitees or resulting from the acts of Landlord or Landlord's Invitees.

39. Security Measures. Tenant acknowledges that, although the Building may contain a restricted access entry system (if provided for as part of Landlord's Work), (i) the Basic Monthly Rent does not include the cost of any security measures for any portion of the Project (ii) Landlord shall have no obligation to provide any such security measures, (iii) Landlord has made no representation to Tenant regarding the safety or security of the Project, and (iv) Tenant will be solely responsible for providing any security it deems necessary to protect itself, its property, and Tenant's Invitees in, on, or about the Project. If Landlord provides any security measures at any time, then the cost thereof shall be included as part of the Operating Expenses, but Landlord will not be obligated to continue providing such security measures for any period of time, Landlord may discontinue such security measures without notice and without liability to Tenant, and Landlord will not be obligated to provide such security measures with any particular standard of care. Tenant assumes all responsibility for the security and safety of Tenant, Tenant's property, and Tenant's Invitees. Tenant releases Landlord from all claims whatsoever (other than due to Landlord's gross negligence or intentional misconduct) for damage, loss, or injury to Tenant, Tenant's Invitees, and/or to the personal property of Tenant and/or of Tenant's Invitees, even if such damage, loss, or injury is caused by or results from the criminal, reckless, or negligent acts of third parties. In connection with the foregoing, Tenant hereby waives any defense would otherwise be provided by Section 1542 of the California Civil Code (which states "A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party"), or Laws of a similar nature, which would limit any such release to matters known or suspected to exist by Tenant. Tenant is hereby instructed to conduct its own investigation through local police agencies regarding any criminal acts or dangerous conduct that has occurred in or near the Project. Landlord shall have no duty to warn Tenant of any criminal acts or dangerous conduct that has occurred in or near the Project, regardless of Landlord's knowledge of such crimes or conduct, and Tenant hereby undertakes to remain informed regarding such issues.

40. Subordination and Attornment. This Lease and Tenant's rights under this Lease are subject and subordinate to any mortgage, deed of trust, ground lease, or underlying lease (and to all renewals, modifications, consolidations, replacements, or extensions thereof), now or hereafter affecting the Premises. The provisions of this Paragraph shall be self-operative, and no further instrument of subordination shall be required. In confirmation of such subordination, however, Tenant shall promptly execute and deliver any commercially reasonable instruments that Landlord, any Lender, or the lessor under any ground or underlying lease, may request to evidence such subordination, provided such instrument contains customary non-disturbance language in favor of Tenant and is consistent with the provisions of the next sentence including, without limitation, a Subordination, Attornment, and Non-Disturbance Agreement in the form to be commercially reasonable and acceptable to Lender. If any Lender, or the lessor of any ground or underlying lease affecting the Premises, shall hereafter succeed to the rights of Landlord under this Lease, whether by foreclosure, deed in lieu of foreclosure, or otherwise, then (i) such successor landlord shall not be subject to any offsets or defenses which Tenant might have against Landlord, (ii) such successor landlord shall not be bound by any prepayment by Tenant of more than one month's installment of Basic Monthly Rent or any other Rent, (iii) such successor landlord shall not be subject to any liability or obligation of Landlord except those arising after such succession, (iv) Tenant shall attorn to and recognize such successor landlord as Tenant's landlord under this Lease, (v) Tenant shall promptly execute and deliver any commercially reasonable instruments that may be necessary to evidence such attornment, (vi) upon such attornment, this Lease shall continue in effect as a direct lease (whether separately documented or not) between such successor landlord and Tenant upon and subject to all of the provisions of this Lease, and (vii) Tenant shall be entitled to quiet enjoyment of the Premises for so long as Tenant is not in default under the terms of this Lease or any substitute lease referenced above. Notwithstanding the preceding provisions of this Paragraph, if any ground lessor or Lender elects to have this Lease prior to the lien of its ground lease, deed of trust, or mortgage, and gives written notice thereof to Tenant that this Lease shall be deemed prior to such ground lease, deed of trust, or mortgage, whether this Lease is dated prior or subsequent to the date of such ground lease, deed of trust, or mortgage, then this Lease shall be deemed to be prior to the lien of such ground lease or mortgage and such ground lease, deed of trust, or mortgage shall be deemed to be subordinate to this Lease.

41. Estoppel Certificate. Within 10 days after written request from Landlord, Tenant shall execute and deliver to Landlord, in recordable form, a certificate ("Estoppel Certificate") stating (i) that this Lease is unmodified and in full force and effect, or in full force and effect as modified, and stating all modifications, (ii) the then-current Basic Monthly Rent, (iii) the dates to which Basic Monthly Rent has been paid in advance, (iv) the amount of any security deposit or letter of credit, if applicable, prepaid rent or other payment constituting Rent which has been paid, (v) whether or not Tenant, to Tenant's knowledge, or Landlord is in default under this Lease and whether, to the knowledge of Tenant, there currently exist any defenses or rights of offset under the Lease in favor of Tenant, (vi) that any work required to be performed by Landlord under this Lease is complete (or stating any exceptions), (vii) that any tenant improvement allowance has been paid (or stating any exceptions), and (viii) such other matters as Landlord may reasonably request. Landlord will similarly, in connection with any lending or Transfer transaction, upon 10-days written request from Tenant, execute an estoppel certificate in favor of Tenant's proposed lender or Transferee confirming (i) that this Lease is unmodified and in full force and effect, or in full force and effect as modified, and stating all modifications, (ii) the then-current Basic Monthly Rent, (iii) the dates to which Basic Monthly Rent has been paid in advance, (iv) the amount of any security deposit or letter of credit, if applicable, prepaid rent, or other payment constituting Rent which has been paid, and (v) whether or not to the best of Landlord's knowledge Tenant is in default under this Lease. The requirement for Tenant to execute and deliver to Landlord, the Estoppel Certificate, as required above, shall not be delayed, conditioned, or withheld for any reason; this requirement shall be an independent covenant of Tenant under this Lease. If Tenant fails to execute and deliver to Landlord a requested estoppel certificate within 10 days after its receipt of request therefor, then in addition to Landlord's other rights and remedies on account of such default, Tenant shall owe Landlord Additional Rent (which amount shall be payable upon demand) in an amount equal to \$100.00 for each day beyond such 10-day period that it delays in the execution and delivery thereof (as such daily sum may be increased from time-to-time pursuant to the Rules).

42. Waiver. No delay or omission in the exercise of any right or remedy of Landlord in the event of any default or Event of Default by Tenant shall impair such right or remedy or be construed as a waiver. The receipt and acceptance by Landlord of delinquent Rent shall not constitute a waiver of any default other than the particular Rent payment accepted. Landlord's receipt and acceptance from Tenant, on any date (the "Receipt Date"), of an amount less than the Rent actually due on such Receipt Date, or to become due at a later date but applicable to a period prior to such Receipt Date, shall not release Tenant of its obligation (i) to pay the full amount of such Rent due on such Receipt Date or (ii) to pay when due the full amount of such Rent to become due at a later date but applicable to a period prior to such Receipt Date. No act or conduct of Landlord, including without limitation, the acceptance of the keys to the Premises, shall constitute an acceptance by Landlord of the surrender of the Premises by Tenant before the Expiration Date. Only a written notice from Landlord to Tenant stating Landlord's election to terminate Tenant's right to possession of the Premises shall constitute acceptance of the surrender of the Premises and accomplish a termination of this Lease. Landlord's consent to or approval of any act by Tenant requiring Landlord's consent or approval shall not be deemed to waive or render unnecessary Landlord's consent to or approval of any other or subsequent act by Tenant. Any waiver by Landlord of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Lease. Tenant hereby waives any rights granted to Tenant under California Code of Civil Procedure Section 1179, California Civil Code Section 3275, and/or any successor statute(s). Tenant represents and warrants that if Tenant breaches this Lease and, as a result, this Lease is terminated, Tenant will not suffer any undue hardship as a result of such termination and, during the Term, will make such alternative or other contingency plans to provide for its vacation of the Premises and relocation in the event of such termination. Tenant acknowledges that Tenant's waivers set forth in this Paragraph are a material part of the consideration for Landlord's entering into this Lease and that Landlord would not have entered into this Lease in the absence of such waivers.

43. Brokers. Each of Tenant and Landlord, respectively and independently, represents that no real estate broker, agent, finder, or other person is responsible for bringing about or negotiating this Lease other than the Tenant's broker, with respect to Tenant, or Landlord's broker, with respect to Landlord, listed in the Principal Lease Provisions, and neither Tenant nor Landlord has dealt with any other real estate broker, agent, finder, or other person, relative to this Lease in any manner. Tenant shall indemnify, defend, and hold Landlord harmless from and against all liabilities, damages, losses, costs, expenses, attorneys' fees and costs, and claims arising from any claims that may be made against Landlord by any real estate broker, agent, finder, or other person (other than as set forth above), alleging to have acted on behalf of or to have dealt with Tenant. Landlord shall indemnify, defend, and hold Tenant harmless from and against all liabilities, damages, losses, costs, expenses, attorneys' fees and costs, and claims arising from any claims that may be made against Tenant by any real estate broker, agent, finder, or other person (other than as set forth above), alleging to have acted on behalf of or to have dealt with Landlord. Landlord shall be responsible, upon satisfaction of the requirements of a separate written listing agreement between Landlord and Landlord's broker, for the payment of the commission due and owing to Landlord's brokers identified in the Principal Lease Provisions (or any other brokers engaged by Landlord), pursuant to such separate written agreement between Landlord and Landlord's broker. Landlord's broker will in turn split such commission with Tenant's broker as such parties may agree.

44. Limitations on Landlord's Liability; Waiver of Consequential Damages. If Landlord is in default of this Lease, and as a consequence Tenant recovers a money judgment against Landlord, such judgment shall be satisfied only out of the proceeds of sale received upon execution of such judgment and levy against the right, title, and interest of Landlord in the Project, and out of rent or other income from the Project receivable by Landlord or out of the consideration received by Landlord from the sale or other disposition of all or any part of Landlord's right, title, and interest in the Project. Notwithstanding anything contained in this Lease to the contrary, under no circumstances whatsoever shall any Landlord or any of Landlord's present or future shareholders, trustees, beneficiaries, participants, members, officers, directors, agents, advisors, property managers, employees, contractors, or the partners comprising Landlord (if any) or affiliates or any of their heirs, successors or assignees be liable for any incidental, indirect, special, consequential or punitive damages, including, without limitation, lost profits, nor shall any of them be personally liable for any deficiency.

45. Sale or Transfer. If Landlord sells or transfers the Premises or the Project (whether voluntarily or involuntarily), Landlord, on consummation of the sale or transfer and assumption of the Lease by Landlord's successor-in-interest, shall be released from any liability thereafter accruing under this Lease. If any Security Deposit or prepaid Rent has been paid by Tenant or if a Letter of Credit has been issued pursuant to this Lease, Landlord may transfer the Security Deposit and/or 1 month prepaid Rent or Letter of Credit, if applicable to Landlord's successor-in-interest and on such transfer Landlord shall be discharged from any further liability arising from the Security Deposit or such prepaid Rent or Letter of Credit, if applicable.

46. Quitclaim Deed. Tenant shall execute and deliver to Landlord on the Expiration Date, promptly on Landlord's request, a quitclaim deed to the Premises, in recordable form, designating Landlord as transferee, and confirming the termination of the Lease.

47. No Merger. The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation of this Lease, or a termination by Landlord, shall not work a merger, and shall, at the option of Landlord, terminate any existing subleases or may, at the option of Landlord, operate as an assignment to Landlord of any such subleases.

48. Confidentiality. Except as essential to the consummation of the transaction contemplated by this Lease (together with all amendments and addenda hereto):

48.1 Each of Tenant and Landlord shall keep and maintain the terms of this Lease and the transactions contemplated by this Lease or any aspect of this Lease in strict confidence; and

48.2 Each of Tenant and Landlord may not make or allow any notices, statements, disclosures, communication, or news releases concerning this Lease, the terms of this Lease and the transactions contemplated by this Lease or any aspect of this Lease.

48.3 Nothing provided herein, however, shall prevent Tenant from disclosing to its legal counsel and/or certified public accountants, prospective purchasers, investors or prospective investors or any lenders or prospective lenders the existence and terms of this Lease or any transaction under this Lease, or any aspect of this lease, or from complying with any governmental or court order, with SEC, nationally recognized securities exchanges or other securities rules or regulations, or similar legal requirement which requires such party to disclose this Lease, the terms of this Lease, the transaction contemplated by this Lease and/or any aspect of this Lease; provided that such party uses reasonable and diligent good faith efforts to disclose no more than is absolutely required to be disclosed by such legal requirement.

48.4 Disclosure. Notwithstanding anything contained herein to the contrary, each Landlord Affiliate shall be entitled in its sole discretion to disclose the terms of this Lease in connection with public filings and/or public presentations or as may be required by any court or authority of competent jurisdiction, and/or deemed by such Landlord or Landlord Affiliate to be required or appropriate under any applicable Law, including without limitation federal and state securities Laws.

49. Anti-Money Laundering/OFAC Requirements. Each of Tenant and Landlord represent and warrant as follows, with the understanding that the other party will rely on the accuracy of these representations and warranties to establish the compliance with the Laws enforced by the United States Department of Treasury's Office of Foreign Assets Control ("OFAC"), and any other applicable Laws, rules, regulations and other legal requirements relating to the combating of money laundering and/or terrorism, including but not limited to Executive Order 13224 on Terrorist Financing, the U.S. Bank Secrecy Act, the Patriot Act, the Trading with the Enemy Act, the International Emergency Economic Powers Act, and all regulated promulgated thereunder, all as amended from time to time (collectively, "Anti-Terrorism Law").

49.1 No action, proceeding, investigation, charge, claim, report, or notice has been filed, commenced, or threatened against such party or any Affiliated Person, as defined below, alleging any violation of any Anti-Terrorism Law. If such party is an entity (e.g., a corporation, partnership, limited liability company, trust), (i) such party has exercised due diligence to establish the identity of each person who possesses the power, directly or indirectly, to direct or cause the direction of such party's management and policies; (ii) if ownership interests in such party are not publicly traded on an exchange or an organized over-the-counter market that is regulated by any foreign government, or any governmental body or regulatory organization empowered by a foreign government to administer or enforce its Laws as they relate to securities matters, such party has exercised due diligence to establish the identity of each person who holds, directly or indirectly, a beneficial interest in such party; and (iii) if such party is a financial intermediary (e.g., a bank, brokerage firm, depository), such party has exercised due diligence to establish the identity of each of its account holders (each of the foregoing persons listed in this Paragraph being an "Affiliated Person"). Such party (x) maintains records of all documents it uses to verify the identities of its Affiliated Persons; (y) will maintain all such records for a period of at least five (5) years after the expiration of the Lease; and (z) will make such documentation available to the other party at any time upon request.

49.2 Such party is not a "Prohibited Person" (as defined in Paragraph 49.3 below), none of its Affiliated Persons is a Prohibited Person, and such party is not acquiring, and does not intend to enter into this Lease for the direct or indirect benefit of any Prohibited Person. Such party acknowledges and agrees that if, at any time, the other party determines that such party is or may be a Prohibited Person, or that any Prohibited Person holds or may hold a direct or indirect interest in such party, the other party may, in its sole discretion, terminate the Lease.

49.3 For purposes of the foregoing representations and warranties, “Prohibited Person” means any person or entity that acts or has acted (i) in contravention of any statute, rule, regulation or other legal requirement to which that person is subject relating to the combating of terrorism and/or money laundering, or (ii) on behalf of any person or organization (A) residing or having a place of business in a country or territory subject to embargo under Laws enforced by OFAC, or (B) identified as a terrorist, terrorist organization, specially designated national or blocked person by OFAC, any other department, agency, division, board, bureau or other instrumentality of the United States Government, or any recognized international organization, multilateral expert group or governmental or industry publication. OFAC’s lists of specially designated nationals, blocked persons and embargoed countries and territories can be found at www.treas.gov/ofac.

49.4 Tenant acknowledges and agrees that, any provision of this Lease to the contrary notwithstanding, Landlord may release confidential information regarding Tenant to law enforcement authorities and/or regulators if Landlord determines, in its sole discretion, that it is in the best interests of Landlord to do so in light of Landlord’s obligations and/or potential liability under any applicable statute, rule, regulation or other legal requirement relating to the combating of terrorism and/or money laundering.

49.5 Each party acknowledges and agrees that the foregoing representations and warranties are subject to the other party’s indemnification obligations under this Lease.

49.6 If either party becomes aware of any fact or circumstance that may render any of the foregoing representations and warranties inaccurate in any respect, such party will immediately notify the Landlord.

50. Sustainability. Landlord and Tenant share a commitment to operating the Project, Premises and the Building in a sustainable, environmentally-friendly manner, so as to reduce energy consumption, nonrecycled wastes, and their collective carbon footprints. Landlord and Tenant agree to the following terms and conditions in order to pursue these goals:

50.1 Sustainability Practices. For the purposes of this Lease, the term “Sustainability Practices” shall mean Landlord’s sustainability practices, programs, rules, and goals for the Project and/or the Building, as such practices, programs, rules, and goals may be adopted, modified, or amended from time to time.

50.2 Sustainable Building Operations. Tenant shall, at its sole cost and expense, comply with the requirements of the Sustainability Practices. Upon reasonable request from Tenant, Landlord shall promptly provide Tenant with a copy of Landlord’s then current Sustainability Practices, if any.

50.3 Permitted Use. Tenant shall not use or operate the Premises in any manner that will cause the Project, the Building or any part thereof to fail to comply with the Sustainability Practices or with the requirements of any third-party sustainability certification or rating for the Building.

50.4 Recycling and Waste Management. Tenant shall, at its sole cost and expense: (a) comply with Landlord’s recycling policy or program; (b) sort and separate its trash and recycling into such categories as required by Landlord; and (c) place sorted trash and recycling into receptacles as directed by Landlord.

50.5 Maintenance and Repairs. All maintenance and repairs performed by Tenant must comply with the Sustainability Practices.

50.6 Alterations. All Alterations performed by Tenant must comply with the Sustainability Practices. Such Sustainability Practices include, without limitation, the use of low or no-VOC paints, solvents, and adhesives.

50.7 Removal at End of Term. To the extent any equipment, furnishings, improvements, or other items required to be removed from the Premises by Tenant at the end of the term or any earlier termination of the Lease are to be recycled or disposed of, Tenant shall conduct such recycling or disposal in an environmentally sustainable manner and in accordance with applicable Laws and the Sustainability Practices. Tenant shall pay all costs, expenses, fines, penalties, and damages that may be imposed on Landlord, the Project, the Building or Tenant by reason of Tenant’s failure to comply with the provisions of this Paragraph. The obligation of Tenant in the preceding sentence shall survive the expiration or earlier termination of the Lease.

50.8 Energy Providers. Landlord reserves the right to change electricity providers at any time and to purchase green or renewable energy for the Building.

50.9 Energy Consumption.

50.9.1 If Tenant is permitted or required pursuant to this Lease to contract directly with an energy provider, Tenant shall pay all costs for separate energy metering and shall submit to Landlord energy consumption data in a format reasonably required by Landlord.

50.9.2 Landlord is committed to reducing its carbon footprint by reducing energy consumption at the Project. Landlord may track energy consumption data of the Common Areas, the Building and/or the other buildings at the Project and record such energy consumption data via ENERGY STAR Portfolio Manager or other tracking tools. Such data may be used for the purposes of measuring, monitoring and improving the energy performance of the Project.

50.10 Water Consumption. Landlord is committed to reducing water consumption at the Project. Landlord may track water usage of the Common Areas, the Building and/or other buildings at the Project and record such water consumption data via ENERGY STAR Portfolio Manager or other tracking tools. Such data may be used for the purposes of measuring, monitoring and reducing the water consumption of the Project.

50.11 LEED Requirements. Tenant shall comply with such practices as Landlord deems appropriate in order for the Building or the Project to obtain or continue to comply with LEED certification requirements.

50.12 Reporting Requirements. Tenant shall provide information and data as reasonably requested by Landlord regarding Tenant's use and occupancy of the Premises, including, without limitation, energy and water consumption data, as necessary to allow Landlord to comply with reporting requirements imposed by applicable Laws, to apply for or maintain certifications or ratings for the Project, the Building, or to apply for fee waivers related to green or sustainable improvements. Landlord participates in ENERGY STAR Portfolio Manager®, and accordingly, Tenant shall, upon Landlord's request, provide Landlord with access to such monthly consumption data by giving Landlord access to Tenant's ENERGY STAR Portfolio Manager® account and either (a) Tenant entering the data from its monthly utility invoices into the ENERGY STAR Portfolio Manager®, or (b) Tenant causing the utility companies to enter the data into the ENERGY STAR Portfolio Manager®.

50.13 Tenant Improvements. In addition to the costs described in the Work Letter, the costs of Tenant's improvements shall include all reasonable costs associated with the Sustainability Practices, including any related documentation, registration, and certification. Tenant shall cause all contractors engaged by Tenant to comply with Landlord's rules and regulations for the Project or the Building, including without limitation, the Sustainability Practices.

50.14 Energy Management. Tenant agrees to use reasonable efforts to operate the Premises' mechanical, electrical, and plumbing systems efficiently so as to reduce water and energy usage and minimize waste and carbon emissions to the fullest extent possible. All electrical equipment or appliances installed by Tenant in the Premises must conform to the Building's standards for energy management and connect to Building controls and monitoring systems, if any.

50.15 Sustainability Reporting Requirements. If required by Laws or in order for Landlord to maintain its "LEED Building" designation or other sustainability-related designation, Tenant shall provide and deliver sustainability consumption information and data (collectively, "Sustainability Information") as reasonably requested by Landlord which shall include, without limitation, documentation relating to Tenant's specific use and occupancy of the Premises in regard to sustainability objectives. Additionally, Tenant authorizes Landlord to request Tenant's Sustainability Information from third parties including utility companies or vendors, as Landlord deems reasonably appropriate. Requested Sustainability Information may include, but shall not be limited to: (a) energy consumption (including electrical, gas and other) using ENERGY STAR energy performance rating or other agreed upon system, (b) estimate of carbon and other greenhouse gas emissions, (c) water consumption, (d) waste generated, and (e) environmental characteristics (shading, bikes, etc.). Landlord shall be entitled to utilize such Sustainability Information as it deems reasonably necessary, including, without limitation, for the following purposes: (a) monitoring and improving utility usage, (b) benchmarking the Project or the Building against any sustainable targets, (c) confirming the compliance of its sustainability practices, (d) maintaining, submitting or obtaining certifications or rating for the Project or the Building, or (e) applying for fee waivers, credits and/or rebates related to green or sustainable improvements.

50.16 Sustainability Information. Following Tenant's request, Landlord shall provide Tenant with the Building's ENERGY STAR score rated by United States Environmental Protection Agency (EPA) called ENERGY STAR Portfolio Manager® and as rated at the time of request. For more information regarding Landlord's and/or its affiliates sustainability-related objectives, practices and related information, Tenant may refer to Landlord's and/or its affiliates' website www.americanassettrust.com.

51. Miscellaneous.

51.1 Notices. All notices required or permitted to be given under this Lease shall be in writing and shall be (i) personally delivered, (ii) sent by certified mail, postage prepaid, return receipt requested, or (iii) sent by a nationally recognized overnight express courier service that provides written confirmation of delivery to the other party at the address set forth in the Principal Lease Provisions of this Lease. Landlord or Tenant must give a notice of a change of its address to the other, if such address changes. Each notice shall be deemed given, delivered and received upon its actual receipt, provided that if it is sent by nationally recognized overnight express courier service, it shall be deemed given one business day after deposit with the courier. Notwithstanding the foregoing, routine correspondence between Landlord and Tenant shall be deliverable by regular U.S. mail, by fax, email, or by other such means of delivery as the parties agree or as may be customary.

51.2 Time is of the Essence. Time and strict and punctual performance are of the essence with respect to each provision of this Lease. All references to "days" in this Lease will refer to calendar days, unless such reference specifically indicates that "business days" are intended. Business days will mean and refer to all calendar days other than Saturdays, Sundays, and national or California state holidays.

51.3 Currency. All payments to be made by Tenant to Landlord under this Lease shall be in United States currency.

51.4 Financial Statements. Beginning June 30, 2025, within 10 days of written request, Tenant shall promptly furnish to Landlord, not more than once during any consecutive 12 month period, financial statements certified by Tenant to be true and correct, reflecting Tenant's then current financial condition, provided, however, that this Section shall not apply to Tenant (or any Permitted Transferee) that is publicly traded on a nationally recognized securities exchange (such as, without limitation, NYSE or NASDAQ). Such financial statements shall include a current balance sheet and a profit and loss statement covering the most recent 12-month period available. In addition, upon Landlord's written request, Tenant shall allow Landlord, or a certified public accountant of Landlord's choosing, to determine Tenant's current financial condition by reviewing Tenant's current financial books, records, and accounts. Landlord will hold said information confidential, except as may be required by any court or authority of competent jurisdiction or which information is already in the public domain, or except for the disclosure of such information to any Landlord Parties' prospective buyers and lenders or the advisers and professionals of any Landlord Affiliate or such prospective buyers and lenders. The individuals executing this Lease on Tenant's behalf represent and warrant that the financial statements and other information submitted to Landlord by Tenant relating to Tenant or any guarantor of this Lease prior to the execution hereof are true, complete, and accurate, were prepared in accordance with generally accepted cash accounting principles applied on a consistent basis, and accurately reflect Tenant's (and, if applicable, each guarantor's) net worth as of the effective date of this Lease. Notwithstanding the foregoing, the terms of this Section shall not apply to the originally named Tenant under this Lease so long as such originally named Tenant is publicly traded or to any Permitted Transferee that is publicly traded.

51.5 Liquor. Notwithstanding any other provision in this Lease to the contrary, Tenant shall refrain from selling or otherwise distributing any alcoholic beverages and such sales are expressly forbidden under this Lease notwithstanding the fact that Tenant may hold the appropriate license as issued and/or approved by the California Alcoholic Beverage Control Agency.

51.6 Liquor Sold by Other Project Tenants. Tenant covenants and agrees not to protest or in any way oppose any application for a license to serve or sell liquor filed by tenants or other users of space within the Project.

51.7 Governing Law. This Lease shall be governed by and construed in accordance with the Laws of the State of California. If the Premises are located outside of California, then the references in this Lease to California statutes or governing agencies shall be deemed to include any relevant statute or governing agency of the jurisdiction in which the Premises are located that is comparable to such California statutes or governing agencies. For purposes of venue and jurisdiction, this Lease shall be deemed made and to be performed in the City of San Diego, California (whether or not the Premises are located in San Diego, California) and Landlord and Tenant hereby consent to the jurisdiction of the Courts of the County of San Diego.

51.8 Attorney's Fees. In the event any litigation, arbitration, mediation, or other proceeding ("Proceeding") is initiated by any party against any other party to enforce, interpret or otherwise obtain judicial or quasi judicial relief in connection with this Lease the prevailing party in such Proceeding shall be entitled to recover from the unsuccessful party all costs, expenses, reasonable attorney's fees, costs and expenses, and expert witness fees relating to or arising out of such Proceeding (whether or not such Proceeding proceeds to judgment), and any post judgment or post award proceeding including without limitation one to enforce any judgment or award resulting from any such Proceeding. Any such judgment or award shall contain a specific provision for the recovery of all such subsequently incurred costs, expenses, and actual attorneys' fees and expert witness fees.

51.9 Waiver of Jury Trial. TO THE EXTENT ALLOWED BY CALIFORNIA LAW, LANDLORD AND TENANT WAIVE THEIR RESPECTIVE RIGHTS TO TRIAL BY JURY OF ANY CONTRACT OR TORT CLAIM, COUNTERCLAIM, CROSS COMPLAINT, OR CAUSE OF ACTION IN ANY ACTION, PROCEEDING, OR HEARING BROUGHT BY EITHER PARTY AGAINST THE OTHER ON ANY MATTER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS LEASE, THE RELATIONSHIP OF LANDLORD AND TENANT, OR TENANT'S USE OR OCCUPANCY OF THE PREMISES, INCLUDING ANY CLAIM OF INJURY OR DAMAGE OR THE ENFORCEMENT OF ANY REMEDY UNDER ANY CURRENT OR FUTURE LAWS. **LANDLORD IS HEREBY AUTHORIZED TO FILE A COPY OF THIS PARAGRAPH IN ANY PROCEEDING AS CONCLUSIVE EVIDENCE OF THE FOREGOING WAIVER.**

/s/ AW /s/ SMC

/s/ KS

LANDLORD'S INITIALS

TENANT'S INITIALS

51.10 Liquidated Damages. In this Lease, wherever an amount has been specified by the parties as liquidated damages or an agreed upon sum to be paid by one party to the other for a breach by one of the parties, the parties hereby agree that all such amounts so specified are not intended as a forfeiture or penalty but are intended to constitute reasonable liquidated damages to the non-breaching party because the loss or harm resulting from the breach is uncertain or difficult to prove with certainty, and the amount specified in each such case is reasonable in light of the anticipated or actual damages caused by the breach.

51.11 Limitation of Period to Raise Claims. Any claim, demand, rights, or defense by Tenant that arises out of this Lease or the negotiations that preceded this Lease shall be barred unless Tenant commences an action thereon, or interposes a defense by reason thereof, within 36 months after the date of the inaction, omission, event, or action that gave rise to such claim, demand, right, or defense. Tenant acknowledges and understands, after having consulted with its legal counsel, that the purpose of this Paragraph is to shorten the period within which Tenant would otherwise have to raise such claims, demands, rights, or defenses under applicable Laws.

51.12 Covenants and Conditions: Survival. All provisions, whether covenants or conditions, to be performed or observed by Tenant shall be deemed to be both covenants and conditions. All indemnity, defense, and hold harmless obligations of Tenant hereunder shall survive the termination of this Lease.

51.13 Joint and Several Liability. If more than one person is Tenant, then the obligations of Tenant under this Lease shall be the joint and several obligations of each of such persons; provided, however, that any act or signature of one or more of any of such persons and any notice or refund given to or served on any one of such persons shall be fully binding on each of such persons.

51.14 Counterparts. This Lease and all documents relating to this Lease, including without limitation, this Lease, any addenda, any exhibits, the Work Letter, the Guaranty (if any), and any amendments to any of the foregoing (collectively, together with the Lease, the "Lease Documents") may be executed in any number of counterparts, each of which shall be deemed an original for all purposes, and all counterparts shall constitute one and the same instrument.

51.15 Singular and Plural; Gender: Person. Whenever the context so requires, all words used in the singular shall be construed to have been used in the plural (and vice versa), each gender shall be construed to include any other genders, and the word "person" shall be construed to include a natural person, a corporation, a firm, a partnership, a joint venture, a limited liability company, a trust, an estate or any other entity.

51.16 Severability. Each provision of this Lease shall be valid and enforceable to the fullest extent permitted by Laws. If any provision of this Lease or the application of such provision to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected by such invalidity or unenforceability, unless such provision or such application of such provision is essential to this Lease.

51.17 Effective Upon Execution. This Lease shall become effective and binding upon the parties when it has been executed by each of Landlord and Tenant; notwithstanding the fact that the Term of this Lease (i.e. Tenant's rights of full occupancy hereunder) will not commence until the Lease Commencement Date.

51.18 Successors. Subject to any restriction on transferability contained in this Lease, this Lease shall be binding upon and shall inure to the benefit of the successors-in-interest and assigns of each party to this Lease. Nothing in this Paragraph shall create any rights enforceable by any person not a party to this Lease, except for the rights of the successors-in-interest and permitted assigns of each party to this Lease, unless such rights are expressly granted in this Lease to other specifically identified persons.

51.19 Headings. The headings of the Paragraphs of this Lease have been included only for convenience, and shall not be deemed in any manner to modify or limit any of the provisions of this Lease, or be used in any manner in the interpretation of this Lease.

51.20 Construction. Each party to this Lease and its legal counsel have had an opportunity to review and revise this Lease. The rule of construction that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Lease or any Addendum or Exhibit to this Lease, and such rule of construction is hereby waived by Tenant.

51.21 Entire Agreement. This Lease, the Exhibits and Addenda, if any, attached hereto (which are incorporated herein by this reference), constitute all of the covenants, promises, assurances, representations, warranties, statements, agreements, conditions and understandings between Landlord and Tenant concerning the Premises, the Common Areas and the Project, and there are no other covenants, promises, assurances, representations, warranties, statements, conditions, or understandings, either oral or written, between them concerning the Premises, the Common Areas and the Project. Except as herein otherwise provided, no subsequent amendment, alteration, change, modification, or addition to this Lease shall be binding upon Landlord or Tenant unless reduced to writing and signed by each of them. Notwithstanding the foregoing, the Landlord may, from time to time, establish and amend such Rules, regulations, and signage criteria, in a written form, for the benefit of the Project and Building, as it deems appropriate. Violations of such Rules, regulations, and signage criteria by Tenant or Tenant's Invitees shall constitute a material default of this Lease.

51.22 No Other Agreements. This Lease, upon full execution, supersedes and revokes any and all previous leases governing the Premises, lease negotiations, arrangements, letters of intents, offers to lease, lease proposals or drafts, brochures, representations, and information conveyed, whether oral or written, between the parties hereto or their respective agents or representatives or any other person purported to represent Landlord or Tenant. Tenant acknowledges it has not been induced to enter into this Lease by any oral or written representations not set forth in this Lease, nor has it relied on any such representations. No such representations should be used in the interpretation or construction of this Lease and the Landlord shall have no liability for any consequences arising as a result of any such representations.

51.23 Amendments. This Lease shall not be amended, or modified or extended except by written instrument signed by Landlord and Tenant.

51.24 Consent. Whenever Landlord's consent or approval is required under this Lease (or any other agreement between the parties hereto), Landlord may give or withhold its consent in its sole and absolute discretion unless otherwise specifically required elsewhere in this Lease.

51.25 Electronic Signatures. Landlord and Tenant consent to the use of electronic signatures on the Lease and all other Lease Documents (as defined above). Notwithstanding anything contained in this Lease to the contrary, Landlord and Tenant agree that the electronic signature of each party to any of the Lease Documents shall be the same as an original, handwritten signature of such party for purposes of validity, enforceability and admissibility, and shall be effective to bind such party to the Lease Documents that they are executing. The parties agree that any of the Lease Documents that are electronically signed shall be deemed (a) to be "written" or "in writing," (b) to have been signed and executed, and (c) to constitute a record established and maintained in the ordinary course of business and an original written record when printed. Such paper copies or "printouts," if introduced as evidence in any judicial, arbitral, mediation, administrative, or other legal proceeding, will be fully admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. Neither Landlord nor Tenant shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule. For purposes hereof, "electronic signature" means a manually signed original signature that is then transmitted by electronic means; "transmitted by electronic means" means sent in the form of a facsimile or sent via the internet as a "pdf" (portable document format) or other replicating image attached to an email message; and, "electronically signed document" means a document transmitted by electronic means and containing, or to which there is affixed, an electronic signature, or as such terms may otherwise be defined in the Uniform Electronic Transactions Act, as the same may be amended from time to time.

[Signature page to follow]

This Lease is executed as of the date of this Lease:

LANDLORD:

PACIFIC NORTH COURT HOLDINGS, L.P.,
a California limited partnership

By: American Assets Trust Management, LLC, a Delaware limited
liability company, as Agent

By: /s/ Adam Wyll
Adam Wyll
President and COO

By: /s/ Steven M. Center
Steven M. Center
SVP of Office Properties

Dated: June 27, 2024

TENANT:

CANDID THERAPEUTICS, INC.,
a Delaware corporation

By: /s/ Ken Song
Name: Ken Song
Title: CEO

Dated: June 27, 2024

TO STANDARD OFFICE LEASE

This Addendum to Lease (“Addendum”) constitutes part of the Office Lease Agreement (“Lease”) dated as of June 27, 2024, between PACIFIC NORTH CORTHOLDINGS, L.P., a California limited partnership (“Landlord”), and CANDID THERAPEUTICS, INC., a Delaware corporation (“Tenant”). The terms of this Addendum are incorporated in the Lease for all purposes. All capitalized terms not otherwise defined in this Addendum are defined by the terms of the Lease.

1. BASIC MONTHLY RENT

Basic Monthly Rent during the Term shall be as follows:

<u>Lease Period</u>	Approximate Basic Monthly Rent Per Rentable Square Foot	Actual Basic Monthly Rent for the Premises
7/15/2024 – 7/31/2025	\$ 5.50	\$ 45,842.50**
8/1/2025 – 7/31/2026	\$ 5.665	\$ 47,217.78
8/1/2026 – 7/31/2027	\$ 5.835	\$ 48,634.31
8/1/2027 – 7/31/2028	\$ 6.01	\$ 50,093.34
8/1/2028 – 9/30/2028	\$ 6.19	\$ 51,596.14

** *Tenant shall be granted a two (2) month abatement of Basic Monthly Rent which shall be allocated during the months of August 2024 and September 2024. As such and provided Tenant is not in material default of this Lease, Tenant shall not be required to pay Basic Monthly Rent during the months of August 2024 and September 2024. If Tenant is deemed in material default of the Lease (after applicable notice and cure period), Tenant shall become fully liable for all funds abated and Landlord shall be entitled to exercise all of its rights and remedies with respect to collecting the monies so abated.*

2. CONDITION OF THE PREMISES

Tenant acknowledges that Tenant shall accept and occupy the Premises in its currently existing “as-is” condition pursuant to the terms of this Lease. Tenant acknowledges and agrees that the Rentable Square Footage of the Premises, as set forth in Paragraph 2.4 of the Principal Lease Provisions above, shall be conclusive for all purposes under this Lease and Tenant hereby expressly waives any right to contest the Rentable Square Footage for any reason. Tenant acknowledges and agrees that Landlord has no obligation to improve the Premises, other than as may be set forth specifically in the Lease. In particular, Tenant acknowledges that any improvements or alterations needed to accommodate Tenant’s intended use shall be made solely at Tenant’s sole cost and expense, and strictly in accordance with the requirements of this Lease (including the requirement to obtain Landlord’s consent thereto), unless such improvements and alterations are specifically required of Landlord and expressly set forth in this Lease and in Exhibit “C”. Should tenant improvements be made to the Premises in the future, the Premises shall be constructed in accordance with the procedures outlined in Exhibit “C” of this Lease. Landlord shall have no responsibility to do any work required under any building codes or other governmental requirements not in effect or applicable on the Lease Commencement Date, including without limitation any requirements related to sprinkler retrofitting, seismic structural requirements, accommodation of disabled persons, or hazardous materials.

3. EARLY ENTRY

Notwithstanding the fact that the term of this Lease does not commence until July 15, 2024, Tenant shall have the right to enter into the Premises 14 days prior to occupancy, subject to all terms and conditions of this Lease, for the installation of equipment and trade fixtures. The foregoing right of early entry shall be subject to each of the following terms and conditions: (a) Tenant's entry prior to the commencement of the Lease shall not materially interfere with the construction or completion of any Landlord's Work or cause labor difficulties; (b) Tenant's entry prior to the Lease Commencement Date shall be deemed to be on, and shall be subject to, all of the terms and conditions of the Lease, other than the obligation to pay Basic Monthly Rent; (c) Tenant must, and hereby does, agree to indemnify, defend, and hold harmless Landlord and Landlord's agents, employees, and contractors against all claims, liability, and damages arising from Tenant's entry prior to the Lease Commencement Date; (d) Tenant's entry prior to the Lease Commencement Date does not constitute the commencement of the Lease; and (e) Landlord will permit entry by Tenant's contractors into the Premises for the purposes of performing Tenant's Work, if any (as defined in Exhibit "C"), prior to the Lease Commencement Date, subject to satisfaction of the conditions set forth in the Lease and in Exhibit "C", and (f) Tenant shall have provided proof of insurance (including early access insurance) to Landlord prior to accessing the Premises.

4. ELECTRONIC SIGNATURES

The parties hereto agree that this Addendum may be electronically signed, and that any electronic signature appearing on this Addendum is the same as a handwritten signature for the purposes of validity, enforceability and admissibility. The provisions of Paragraph 51.25 of the Lease shall apply to any electronic signature on this Addendum.

[Signature page to follow]

Unless modified by this Addendum, each term of the Lease remains unamended and in full force. The parties have executed this Addendum as of the date of the Lease.

LANDLORD:

PACIFIC NORTH COURT HOLDINGS, L.P.,
a California limited partnership

By: American Assets Trust Management, LLC, a Delaware limited
liability company, as Agent

By: /s/ Adam Wyll
Adam Wyll
President and COO

By: /s/ Steven M. Center
Steven M. Center
SVP of Office Properties

Dated: June 27, 2024

TENANT:

CANDID THERAPEUTICS, INC.,
a Delaware corporation

By: /s/ Ken Song
Name: Ken Song
Title: CEO

Dated: June 27, 2024

CERTAIN INFORMATION CONTAINED IN THIS EXHIBIT, MARKED BY [***], HAS BEEN EXCLUDED FROM THIS EXHIBIT BECAUSE THE REGISTRANT HAS DETERMINED THAT IT IS BOTH NOT MATERIAL AND IS THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL.

LICENSE AGREEMENT

THIS LICENSE AGREEMENT (the “**Agreement**”) is entered into as of January 2, 2025 (the “**Effective Date**”), by and between **CANDID THERAPEUTICS INC.**, a company organized under the laws of Delaware having an address at 11622 El Camino Real, Suite 150, San Diego, CA 92130, (“**Candid**” or “**Licensee**”) and **WUXI BIOLOGICS (SHANGHAI) CO., LTD.**, a corporation organized and existing under the laws of China, with its principal business office located at [***], Pudong New Area, Shanghai [***], together with its Affiliates (“**WuXi Biologics**” or “**Licensor**”). Licensee and WuXi Biologics may be referred to herein individually as a “**Party**” or collectively as the “**Parties**”.

RECITALS

WHEREAS, WuXi Biologics owns certain antibodies and patents, know-how, and other intellectual property relating thereto;

WHEREAS, Candid is an innovative biotechnology company dedicated to advancing the treatment of a range of immunological conditions.

WHEREAS, Licensee desires to obtain an exclusive license to develop, manufacture, and commercialize the Licensed Antibodies and Products in the Field (each as defined below) and WuXi Biologics desires to grant to Licensee such license.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Licensee, on behalf of itself and its Affiliates, and WuXi Biologics, on behalf of itself and its Affiliates, hereby agree as follows:

1. DEFINITIONS

1.1 “Affiliate” means, with respect to any party, any entity that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with such party, but for only so long as such control exists. As used in this Section 1.1, “control” means (a) to possess, directly or indirectly, the power to direct the management or policies of an entity, whether through ownership of voting securities, by contract relating to voting rights or corporate governance; or (b) direct or indirect beneficial ownership of more than fifty percent (50%) (or such lesser percentage which is the maximum allowed to be owned by a foreign corporation in a particular jurisdiction) of the voting share capital or other equity interest in such entity.

1.2 “Annual Net Sales” means the total Net Sales during a particular Calendar Year.

1.3 “Applicable Laws” means the applicable provisions of any and all national, supranational, regional, state, and local laws, treaties, statutes, rules, regulations, administrative codes, guidance, ordinances, judgments, decrees, directives, injunctions, orders, permits (including NDAs) of or from any court, Regulatory Authority, or governmental agency or authority having jurisdiction over or related to the subject item.

1.4 “Auditor” has the meaning set forth in Section 4.9.

1.5 “Business Days” means a day other than (a) a Saturday or a Sunday or (b) a day when a bank in Taiwan or Mainland China is closed for business.

1.6 “Calendar Quarter” means each respective period of three (3) consecutive months ending on March 31, June 30, September 30, and December 31, or such other quarterly dates as Licensee may elect to correspond with Licensee’s fiscal year.

1.7 “Calendar Year” means each respective period of twelve (12) consecutive months ending on December 31.

1.8 “CD3 Patents” means any and all Patents Controlled by WuXi Biologics or any of its Affiliates as of the Effective Date or at any time during the Term [***]. A list of the CD3 Patents as of the Effective Date is attached as Schedule 3 hereto and shall be updated by WuXi Biologics from time to time during the Term, including as requested by Licensee.

1.9 “CD19 Patents” means any and all Patents Controlled by WuXi Biologics or any of its Affiliates as of the Effective Date or at any time during the Term [***]. A list of the CD19 Patents as of the Effective Date is attached as Schedule 3 hereto and shall be updated by WuXi Biologics from time to time during the Term, including as requested by Licensee.

1.10 “Claim” has the meaning set forth in Section 7.1.

1.11 “Combination Product” means any pharmaceutical product that comprises, contains, or incorporates (a) a Product and (b) at least one other active ingredient that is not the Product, either co-formulated or packaged together and sold as a single unit for a single price. For clarity, a “Combination Product” does not include any combination therapy that includes (x) the Product and (y) at least one other product which is not a Product, either administered or prescribed jointly, but which are not sold together for a single price.

1.12 “Commercialization” means the conduct of all activities undertaken before and after Regulatory Approval relating to the promotion, sales, marketing, medical support, and distribution (including importing, exporting, transporting, customs clearance, warehousing, invoicing, handling, and delivering) of a product, including sales force efforts, detailing, advertising, market research, market access (including price and reimbursement activities), medical education and information services, publication, scientific and medical affairs, advisory and collaborative activities with opinion leaders and professional societies including symposia, marketing, sales force training, and sales (including receiving, accepting, and filling product orders) and distribution. “**Commercialize**” and “**Commercialized**” have correlative meanings.

1.13 “Commercially Reasonable Efforts” means, with respect to Licensee’s obligations to Develop, seek NDA Approval, and Commercialize a Product under this Agreement, those reasonable efforts and resources consistent with its usual practices in the development, manufacture, and commercialization of a pharmaceutical product controlled by a company in the biopharmaceutical industry of comparable size, which is at a similar stage of research, development, or commercialization, is in a similar therapeutic and disease area, and is of similar market potential, taking into account such product’s: (a) profile of efficacy and safety; (b) proprietary position, including patent and regulatory exclusivity or the broader third party patent landscape; (c) regulatory status, including anticipated or approved labeling and anticipated or approved post-approval requirements; (d) present and future market and commercial potential, including competitive market conditions and the expected and actual profitability and return on investment; (e) development or manufacturing costs, timelines and budgets, availability of supply; (f) the expected and actual competitiveness of alternative products (including generic or biosimilar products) under development or sold in the marketplace; (g) relative strategic value with respect to other antibodies and products in its portfolio of antibodies and products; and (h) all other relevant factors, including technical, legal, scientific, and medical factors.

1.14 “Confidentiality Agreement” means that certain Confidential Disclosure Agreement made between the Parties with an Effective Date of [***].

1.15 “Confidential Information” means all Know-How and other proprietary scientific, marketing, financial, or commercial information or data that is generated by or on behalf of a Party or its Affiliates or which one Party or any of its Affiliates has supplied or otherwise made available to the other Party or its Affiliates, whether made available orally, in writing, or in electronic form, including information comprising or relating to concepts, discoveries, inventions, data, designs, or formulae in relation to this Agreement. Confidential Information shall include: (a) the terms and conditions of this Agreement, and (b) Confidential Information disclosed by either Party pursuant to the Confidentiality Agreement. Notwithstanding the foregoing, Licensed Know-How directly related to the Licensed Antibodies and Products being Developed, Manufactured, or Commercialized by or on behalf of Licensee, its Affiliates, or Sublicensees shall be deemed the Confidential Information of both Parties.

1.16 “Control” or “Controlled” means, with respect to any Know-How, Patents, or other intellectual property rights, the legal authority or right (whether by ownership, license, or otherwise, but without taking into account the license granted pursuant to Section 2.1) of a Party to grant access, a license, or a sublicense of or under such Know-How, Patents, or other intellectual property rights to the other Party, or to otherwise disclose proprietary or trade secret information to such other Party, without breaching the terms of any agreement with a Third Party, or misappropriating the proprietary or trade secret information of a Third Party.

1.17 “Cover”, “Covering” or “Covered” means, with respect to a product, composition, technology, process, or method and a Patent, that, in the absence of ownership of or a license granted under such Patent, the manufacture, use, offer for sale, sale, or importation of such product or composition or the practice of such technology, process, or method would infringe on a claim in such Patent (or, in the case of a claim of a pending patent application, would infringe on such claim if it were to issue as a claim of an issued patent) in the country where such activity occurred.

1.18 “Development” means all research and development activities for any product (whether alone or for use together, or in combination, with another active agent or pharmaceutical product as a combination product or combination therapy) that are directed to obtaining Regulatory Approval(s) of such product and lifecycle management of such product in any country in the world, including activities directed to improvement, modifications or enhancement of a product, all non-clinical, preclinical, and clinical testing and studies of such product; toxicology, pharmacokinetic, and pharmacological studies; statistical analyses; assay development; protocol design and development; the preparation, filing, and prosecution of any NDA for such product; development activities directed to label expansion and/or obtaining Regulatory Approval for one or more additional indications following initial Regulatory Approval; development activities conducted after receipt of Regulatory Approval; and all regulatory affairs related to any of the foregoing. **“Develop”** and **“Developed”** have correlative meanings.

1.19 “Europe” means United Kingdom, the European Union (as such entity is comprised as of the date of inquiry) and Switzerland.

1.20 “Executive Officers” means (a) with respect to Licensee, the Chief Executive Officer (or his or her designee), and (b) with respect to WuXi Biologics, the Chief Executive Officer (or his or her designee).

1.21 “FDA” means the U.S. Food and Drug Administration, or any successor agency thereto.

1.22 “Field” means all human and non-human use, including for all research, diagnostic and therapeutic purposes.

1.23 “Field Infringement” has the meaning set forth in Section 5.3(a).

1.24 “First Commercial Sale” means, on a Product-by-Product basis, the first sale by Licensee or any of its Affiliates or Sublicensees to a Third Party (other than a Sublicensee) for end use of such Product in the Territory after Regulatory Approval has been granted with respect to such Product in the Territory.

1.25 “Governmental Authority” means any national, international, federal, state, provincial, or local government, or political subdivision thereof, or any multinational organization or any authority, agency, or commission entitled to exercise any administrative, executive, judicial, legislative, police, regulatory, or taxing authority or power, any court or tribunal (or any department, bureau or division thereof, or any governmental arbitrator or arbitral body).

1.26 “ICH” means the International Conference on Harmonization (of Technical Requirements for Registration of Pharmaceuticals for Human Use).

1.27 “IND” means an investigational new drug application or equivalent application filed with the applicable Regulatory Authority, which application is required to commence human clinical trials in the applicable country.

1.28 “Indemnified Party” has the meaning set forth in Section 7.3.

1.29 “Indemnifying Party” has the meaning set forth in Section 7.3.

1.30 “Inventions” means all data, results, discovery, finding, process, improvement, method, composition of matter, article of manufacture, and other inventions, whether or not patentable, discovered, made, conceived, or reduced to practice, in the course of activities performed under this Agreement, together with all intellectual property rights therein.

1.31 “Know-How” means any and all technical information, know-how, and data, including Inventions, discoveries, trade secrets, specifications, instructions, chemical structure, sequences, processes, formulae, compositions of matter, cells, cell lines, assays, animal models, and other physical, biological, or chemical materials, knowledge, skill, expertise and other technology applicable to, development, manufacture, registration, use, or marketing or to methods of assaying or testing them, and including all biological, chemical, pharmacological, biochemical, toxicological, pharmaceutical, physical, and analytical, safety, nonclinical, and toxicological and clinical data, statistical analyses, expert opinions and reports, study designs and protocols, full batch documentation, packaging records, release, stability, storage and shelf-life data, and manufacturing process information, results or descriptions, regulatory documents, data and filings, instructions, processes, formulae, expertise, and information relevant to the research, development, use, importation, offering for sale, or sale of, or which may be useful in studying, testing, or developing products. Know-How excludes Patents.

1.32 “Licensed Antibody” or “Licensed Antibodies” means [***] .

1.33 “Licensed IP” means the Licensed Know-How and the Licensed Patents.

1.34 “Licensed Know-How” means any and all Product Know-How, WuXi Biologics Platform Know-How and WuXi Biologics [***] Know-How.

1.35 “Licensed Patent(s)” means (a) other than WuXi Biologics Platform Patents, WuXi Biologics [***] Patents or Product Patents, all Patents that are Controlled by WuXi Biologics or any of its Affiliates as of the Effective Date or during the Term that (i) Cover any Product Know-How, Licensed Antibody, or Product and (ii) are necessary (or, with respect to Patent applications, would be necessary if such Patent applications were to issue as Patents) for the research, Development, Manufacture, use, Commercialization or other exploitation of any Licensed Antibody or Product in the Field in the Territory; (b) any and all Product Patents; (c) any and all WuXi Biologics Platform Patents; and (d) any and all WuXi Biologics [***] Patents. A list of the Licensed Patents in clause (a) above as of the Effective Date is attached as Schedule 4 hereto and shall be updated by WuXi Biologics from time to time during the Term, including as requested by Licensee.

1.36 “Licensee Indemnitee” has the meaning set forth in Section 7.2.

1.37 “Losses” has the meaning set forth in Section 7.1.

1.38 “Manufacture” means all activities related to the manufacture of Products, including, but not limited to, manufacturing supplies for research, Development or Commercialization, packaging, in-process and finished product testing, pharmaceutical development including process development and validation, release of product, or any component or ingredient thereof, quality assurance and quality control activities related to manufacturing and release of products, ongoing stability tests, storage, shipment, and regulatory activities related to any of the foregoing. “Manufactured” have correlative meanings.

1.39 “NDA” means a new drug application or equivalent application, and all amendments and supplements thereto, filed with the applicable Regulatory Authority in the Territory.

1.40 “NDA Approval” means, with respect to a product, approval of an NDA by the applicable Regulatory Authority for marketing and sale of such product in the Territory.

1.41 “Net Sales” means, with respect to any Product, [***]

1.42 “Patents” means (a) all patents, certificates of invention, patent applications, applications for certificates of invention, priority patent filings, and patent applications, (b) any renewals, divisions, continuations (in whole or in part), or requests for continued examination of any of such patents, certificates of invention and patent applications, and any and all patents or certificates of invention issued thereon, and any and all reissues, reexaminations, extensions, supplementary protection certificates, divisions, renewals, substitutions, confirmations, registrations, revalidations, revisions, and additions of or to any of the foregoing, and (c) other patents or patent applications claiming priority directly or indirectly to any such patent or patent application or any patent or patent application from which a patent or patent application claim direct or indirect priority.

1.43 “PCT” means Patent Cooperation Treaty administered by the World Intellectual Property Organization (WIPO).

1.44 “Phase I Clinical Trial” means a clinical trial of a Product in humans that satisfies the requirements for a Phase I study as defined in 21 CFR 312.21(a) (or any amended or successor regulations), regardless of where such clinical trial is conducted.

1.45 “Phase II Clinical Trial” means a clinical trial of a Product in humans that satisfies the requirements for a Phase II study as defined in 21 CFR § 312.21(b) (or any amended or successor regulations), regardless of where such clinical trial is conducted.

1.46 “Phase III Clinical Trial” means a clinical trial of a Product in humans that satisfies the requirements for a Phase III study as defined in 21 CFR § 312.21(c) (or any amended or successor regulations), regardless of where such clinical trial is conducted.

1.47 “Product(s)” means any pharmaceutical product that contains a Licensed Antibody, whether alone or in combination with other active ingredients, in any form, presentation, dosage, or formulation, and for any mode of administration.

1.48 “Product Know-How” means all Know-How that WuXi Biologics or any of its Affiliates Controls as of the Effective Date or during the Term that is necessary or reasonably useful for the research, Development, Manufacture, sell, offer for sale, import, export, Commercialization or other exploitation of the Licensed Antibody or Product in the Field in the Territory. For clarity, Product Know-How shall not include any development and/or manufacturing process and analytical methods generally used in providing CMC Development and manufacturing services of biological products and not solely or specifically for any Licensed Antibody or Product unless such process or method has been used with, used for, or incorporated in the Licensed Antibody or Product as of the Effective Date.

1.49 “Product Patent(s)” means (a) any Patent Controlled by WuXi Biologics or any of its Affiliates as of the Effective Date or during the Term that has a claim [***]that Covers the Licensed Antibody and any and all other Patents that claim priority to or share priority with such Patents. For clarity, the Product Patent(s) shall exclude any WuXi Biologics Platform Patents and any WuXi Biologics [***] Patents. Notwithstanding the foregoing, if, during the Term, any of the WuXi Biologics Platform Patents [***]then such Patents shall be deemed as Product Patents. A list of the Product Patents as of the Effective Date is attached as Schedule 1 hereto and shall be updated by WuXi Biologics from time to time during the Term, including as requested by Licensee.

1.50 “Regulatory Approval” means any and all approvals (including NDA Approval and, where relevant, pricing and reimbursement approval), licenses, registrations, permits, notifications, and authorizations (or waivers) of any Regulatory Authority that are necessary for the manufacture, use, storage, import, transport, promotion, marketing, distribution, offer for sale, sale, or other commercialization of a product in any country or jurisdiction.

1.51 “Regulatory Authority” means any Governmental Authority that has responsibility in its applicable jurisdiction over the testing, development, manufacture, use, storage, import, transport, promotion, marketing, distribution, offer for sale, sale, or other commercialization of pharmaceutical products in a given jurisdiction, including the FDA or any successor agency of the foregoing having regulatory jurisdiction over the manufacture, distribution, and sale of drugs in the Territory, and any Governmental Authority whose review or approval of pricing or reimbursement of such product is required.

1.52 “Regulatory Filing” means all applications, filings, submissions, approvals, licenses, registrations, permits, notifications, and authorizations (or waivers) with respect to the testing, Development, Manufacture, or Commercialization of any product made to or received from any Regulatory Authority in a given country, including any INDs and NDAs.

1.53 “Royalty Term” has the meaning set forth in Section 4.4(b).

1.54 “SEC” means the U.S. Securities and Exchange Commission, or any successor entity or its foreign equivalent in the Territory, as applicable.

1.55 “Sublicensee” means a Third Party to whom Licensee grants a sublicense to Develop, Manufacture, sell, offer for sale, import, export and otherwise Commercialize any Product in the Field in the Territory, beyond the mere right to purchase Products from Licensee and its Affiliates, and excluding contract research and manufacturing organizations, wholesalers, full-service distributors that do not promote the sale of the Product, and other similar physical distributors. In no event shall WuXi Biologics or any of its Affiliates be deemed a Sublicensee.

1.56 “Sublicense Income” means all payments received by Licensee and its Affiliates from any Third Party as consideration for the grant to such Third Party of a (sub)license under any Licensed Know-How or Licensed Patent. Notwithstanding the foregoing, Sublicense Income shall exclude: [***].

1.57 “Targets” means collectively [***].

1.58 “Technical Information” means all information, data, trade secrets, know-how, methods of research, development, manufacture, processes, documents and materials related to the Licensed Antibodies, Product Patents or Licensed IP, and proprietary information, whether patentable or unpatentable, related to the Licensed Antibodies, Product Patents or Licensed IP.

1.59 “Term” has the meaning set forth in Section 9.1.

1.60 “Territory” means worldwide.

1.61 “Third Party” means any entity other than Licensee or WuXi Biologics or an Affiliate of either of them.

1.62 “Third Party Infringement Claim” has the meaning set forth in Section 5.4.

1.63 “U.S.” means the United States of America, including its territories and possessions.

1.64 “Valid Claim” means (a) a claim of an issued and unexpired patent that has not been revoked or held unenforceable, unpatentable, or invalid by a decision of a court or other governmental agency of competent jurisdiction that is not appealable or has not been appealed within the time allowed for appeal, and that has not been abandoned, disclaimed, denied, or admitted to be invalid or unenforceable through reissue, re-examination, disclaimer, or otherwise, or (b) a claim of a pending patent application that was filed and is being prosecuted in good faith and that has not been pending for more than [***], or has not been cancelled, withdrawn, abandoned, or finally rejected by an administrative agency action from which no appeal can be taken.

1.65 “WuXi Biologics Indemnitee” has the meaning set forth in Section 7.1.

1.66 “WuXi Biologics [*]”** means, collectively, [***]

1.67 “WuXi Biologics [*] Know-How”** means any and all Know-How that are Controlled by WuXi Biologics or any of its Affiliates as of the Effective Date or during the Term that is necessary or useful for the research, Development, Manufacture, Commercialization or other exploitation of the [***] within the WuXi Biologics [***] Patents.

1.68 “WuXi Biologics [*] Patents”** means any and all CD3 Patents and/or CD19 Patents.

1.69 “WuXi Biologics Platform IP” means, collectively, the WuXi Biologics Platform Know-How and WuXi Biologics Platform Patents.

1.70 “WuXi Biologics Platform Know-How” means all Know-How that WuXi Biologics or any of its Affiliates Controls as of the Effective Date or during the Term that is necessary or reasonably useful for use of the WuXi Biologics Platform Technology to research, Development, Manufacture, sell, offer for sale, import, export, Commercialization or other exploitation of the Licensed Antibody or Product in the Field in the Territory but that is in all cases not Know-How that is specifically directed to any Licensed Antibody and Product. For clarity, WuXi Biologics Platform Know-How shall not include any development and/or manufacturing process and analytical methods generally used in providing CMC Development and manufacturing services of biological products and not solely or specifically for any Licensed Antibody or Product.

1.71 “WuXi Biologics Platform Patents” means any Patents that (a) are Controlled by WuXi Biologics or any of its Affiliates as of the Effective Date or at any time during the Term, and (b) claims or otherwise discloses any WuXi Biologics Platform Know-How. The WuXi Biologics Platform Patents as of the Effective Date are listed in **Schedule 2**, which may be updated from time to time by WuXi Biologics.

1.72 “WuXi Biologics Platform Technology” means WuXi Biologics’ proprietary technology to generate a bispecific, tri-specific or other multi-specific antibody that may be used to generate a Licensed Antibody or Product, as claimed in patent application [***].

2. GRANT OF LICENSES

2.1 Licenses Granted to Licensee WuXi Biologics grants, will grant, and hereby grants to Licensee an exclusive, irrevocable (except as provided in Section 9.3), non-transferrable (except as provided in Section 11.6), royalty-bearing license, with the right to grant sublicenses through multiple tiers as provided in Section 2.2 and to appoint subcontractors, to and under the Licensed IP to research, Develop and have Developed, Manufacture and have Manufactured, sell, offer for sale, have sold, import and have imported, export and have exported, and otherwise Commercialize the Licensed Antibody and Products in the Field in the Territory.

2.2 Sublicenses. Licensee shall have the right to grant sublicenses, through multiple tiers of sublicensees, under the license granted in Section 2.1 to its Affiliates and other Third Parties, provided that (i) WuXi Biologics’ obligations to such sublicensed Affiliate or Third Party Sublicensee will be no broader than WuXi Biologics’ obligations were to Licensee under this Agreement prior to the grant of such a sublicense, (ii) the rights granted to such sublicensed Affiliate or Third Party Sublicensee under the Licensed IP will be consistent with the rights granted to Licensee under Section 2.1 applicable to the scope of the sublicense granted to such Affiliate or Third Party Sublicensee, (iii) Licensee shall provide a copy of such sublicense granted to a Sublicensee to WuXi Biologics within [***] after execution of such sublicense, which copy may be redacted in Licensee’s sole discretion as to terms not reasonably applicable to determining Licensee’s compliance with its obligations under this Agreement. (iv) the terms of each sublicense (and any sub-sublicense) agreement shall be substantially consistent with all applicable terms of this Agreement, and (v) any such sublicenses shall be substantially consistent with the terms and conditions of this Agreement and Licensee remains primarily responsible for the actions or omissions of its Sublicensees. For the avoidance of doubt, Licensee may engage any Third Party sub-contractors and grant sublicenses to such Third Party sub-contractors without prior notification to or approval by WuXi Biologics.

2.3 Licensor Retained Rights. Subject to WuXi Biologics' obligations under Section 3.6, WuXi Biologics and its Affiliates retain the right under the WuXi Biologics [***], WuXi Biologics [***] Know-How, WuXi Biologics Platform Patents and WuXi Biologics Platform Know-How to research, Develop and have Developed, Manufacture and have Manufactured, sell, offer for sale, have sold, import and have imported, export and have exported, and otherwise Commercialize any product that is not a Licensed Antibody or Product.

2.4 No Implied Licenses. Except as set forth in this Agreement, neither Party shall acquire any license or other intellectual property interest, by implication or otherwise, under or to any Patents, Know-How, or other intellectual property owned or controlled by the other Party.

3. DEVELOPMENT, MANUFACTURE AND COMMERCIALIZATION

3.1 Development and Manufacture. Subject to the terms and conditions of this Agreement, Licensee shall have the sole and exclusive right and responsibility, at its own expense, for the Development, Manufacture and other exploitation of Products in the Field in the Territory. At Candid's request, WuXi Biologics shall [***] to provide prioritization for any [***] studies for the Product. At Candid's request, WuXi Biologics shall [***] to provide prioritization for the Product on the initial chemistry, manufacturing and controls activities for [***].

3.2 Development and Manufacture Diligence. Commencing on the date of this Agreement and ending upon completion of the first Phase I Clinical Trial, Licensee, itself or through its Affiliates and Sublicensees, shall use Commercially Reasonable Efforts to Develop [***] Product in the Field in the Territory. Licensee shall update WuXi Biologics on an annual basis regarding its significant Development activities with respect to the Products in the Territory. Each such update shall provide a high level summary of Licensee's, its Affiliates', and its Sublicensees' significant Development activities with respect to Products in the Field in the Territory.

3.3 Regulatory Responsibilities. Licensee shall have the sole and exclusive right and responsibility, [***], to seek to obtain and maintain Regulatory Approvals for the Products in the Field in the Territory and to handle all related regulatory matters, including, without limitation, the development and implementation of Licensee's regulatory strategy for Products, any communications with any Regulatory Authorities, preparation and maintaining regulatory materials. Whenever Licensee files an IND for a Product in the Field in any country/region in the Territory, upon Licensee's reasonable request, WuXi Biologics shall provide reasonable assistance as necessary or desirable for Licensee in such filing process to obtain and maintain Regulatory Approvals with respect to such Products in the Field, [***].

3.4 Commercialization. Subject to the terms and conditions of this Agreement, Licensee shall have the sole and exclusive right and responsibility, [***], for the Commercialization of Products in the Field in the Territory.

3.5 Commercialization Diligence. Licensee shall retain at all times sole and complete decision-making authority regarding whether to launch any particular Product in any particular country and any other Commercialization decisions.

3.6 Non-Competition For a period of [***] following the Effective Date, except as expressly permitted under this Agreement, WuXi Biologics shall not [***].

4. FINANCIAL PROVISIONS

4.1 Upfront Payment. Licensee shall pay to WuXi Biologics a one-time, non-refundable, non-creditable upfront payment of twenty-five million USD (US\$25,000,000) for execution of the Agreement within [***] after Licensee's receipt of an invoice issued by WuXi Biologics for such payment.

4.2 Development and Regulatory Milestones Payments.

(a) **Development and Regulatory Milestones.** Subject to the remainder of this Section 4.2, Licensee shall pay to WuXi Biologics [***].

Development Milestone Event		Research Milestone Payment
1.	[***]	[***]
2	[***]	[***]
3	[***]	[***]
4	[***]	[***]
5	[***]	[***]
6	[***]	[***]
7	[***]	[***]
Total		US\$150,000,000

(b) **Notice and Payment.** Licensee shall notify WuXi Biologics in writing within [***] after the achievement of any milestone set forth in this Section 4.2 by Licensee, its Affiliates, or Sublicensees. Licensee shall pay to WuXi Biologics the applicable milestone payments within [***] after Licensee's receipt of a correct invoice issued by WuXi Biologics for such payment following its receipt of Licensee's foregoing milestone achievement notice.

4.3 Sales-Based Milestones Payments.

(a) **Sales Milestones.** Subject to the remainder of this Section 4.3, on a Product-by-Product basis, Licensee shall pay to WuXi Biologics [***].

Aggregate Annual Net Sales of a Product in the Field in the Territory	Sales Milestone Payments
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
Total	US\$750,000,000

For clarity, each milestone payment set forth in each table above set forth in Section 4.2(a) and Section 4.3(a) shall be paid only once upon first achievement of the corresponding milestone event by a licensed Product to achieve such event, even if such milestone event is achieved multiple times by a single Licensed Product. In no event shall Licensee be obligated to pay more than an aggregate amount of one hundred and fifty million dollars (\$150,000,000) under Section 4.2(a) and an aggregate amount of seven hundred and fifty million dollars (\$750,000,000) under Section 4.3(a).

(b) Notice and Payment. Licensee shall provide a written notice to WuXi Biologics within [***] after the Annual Net Sales of a Product in the Field in the Territory reaches the values set forth in Section 4.3(a) above. Licensee shall pay to WuXi Biologics the applicable sales milestone payments within [***] after Licensee's receipt of a correct invoice issued by WuXi Biologics for such payment following its receipt of Licensee's foregoing milestone achievement notice.

4.4 Royalty Payments.

(a) Royalty Rate. Subject to the other terms of this Section 4.4, [***]

<u>Aggregate Annual Net Sales of a Product in the Field in the Territory</u>	<u>Royalty Rate</u>
[***]	[***]
[***]	[***]
[***]	[***]

(b) Royalty Term. "Royalty Term" means with respect to a Product and a country, commencing on the First Commercial Sale of such Product in such country, until the later of: (i) twelve (12) years from First Commercial Sale of such Product in such country, (ii) the last to expire Valid Claim of Product Patents Covering the composition of matter of such Product in such country, or (iii) the expiry of regulatory exclusivity period for such Product in such country.

(c) Royalty Reductions.

(i) [***]

(ii) [***]

(iii) [***]

(iv) [***]

4.5 Payment; Reports. Royalty payments due by Licensee to WuXi Biologics under Section 4.4 shall be calculated and reported for each Calendar Quarter during the Royalty Term. Within [***] after the end of each Calendar Quarter, Licensee shall provide to WuXi a report setting forth the Net Sales of the Products by Licensee and its Affiliates and Sublicensees [***]. After receipt of the royalty report, WuXi Biologics shall issue an invoice to Licensee for the royalties set forth in the royalty report and Licensee shall pay the royalties within [***] after receipt of a correct invoice issued by WuXi Biologics for such royalties.

4.6 Sublicense Payments.

(a) Sublicense Payments. If Licensee grants a sublicense to a Third Party under Section 2.2, Licensee shall pay WuXi Biologics a share of Sublicense Income pursuant to this section 4.6(a). [***]

<u>Development stage at the time of the effective date of the applicable Sublicense</u>	<u>Percentage of Sublicense Income</u>
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]

(b) Payments under Section 4.6(a) will be due within [***] of receipt of such Sublicense Income by Licensee or its Affiliates along with a report setting forth in reasonable detail the total amounts received by Licensee or its Affiliates, the calculation of Sublicense Income, and the calculation of amounts due under Section 4.6(a).

4.7 Exchange Rate; Manner and Place of Payment. All references to dollars and “\$” herein shall refer to U.S. dollars. All payments hereunder shall be payable in U.S. dollars. With respect to conversion of Net Sales in any currency other than U.S. dollars to U.S. dollars, Licensee or its Affiliates or Sublicensees shall convert the Net Sales for the Products using its then-current standard worldwide currency conversion methodology applied to its external reporting. All payments owed to WuXi Biologics under this Agreement shall be made by wire transfer in immediately available funds to a bank and account designated in writing by WuXi Biologics, unless otherwise specified in writing by WuXi Biologics.

4.8 Taxes.

(a) Transaction Taxes. Any consideration under this Agreement is exclusive of any sales or use tax, value-added tax ("VAT"), goods and services tax ("GST"), and other similar indirect taxes (any such taxes, "Transfer Taxes"). Any Transfer Taxes, if applicable, payable on the consideration paid hereunder shall be paid by Licensee at the same time as the payment or provision of such consideration to which it relates, subject to the production of a Valid Invoice by Licensor.

(b) Withholding Taxes. Licensor shall pay any income, remittance, withholding or other taxes on any payment that is required to be withheld at the Licensee's jurisdiction. Licensee will make all payments to WuXi Biologics under this Agreement without deduction or withholding for taxes, except to the extent that any such deduction or withholding is required by Applicable Law in effect at the time of payment. If Applicable Law requires that taxes be deducted and withheld from a payment made pursuant to this ARTICLE 4, Licensee shall: (i) deduct those taxes from the payment; (ii) pay the taxes to the proper taxing authority; and (iii) send evidence of the obligation together with proof of payment, to the extent available, to WuXi Biologics within [***] following that payment. If Licensor is entitled under any applicable tax treaty to a reduction in the rate of, or the elimination of, any applicable withholding tax, Licensor may deliver to Licensee a completed Internal Revenue Service W-8 form to reduce the applicable rate of withholding or to relieve Licensee of its obligation to withhold such tax, and Licensee shall apply the reduced rate of withholding or dispense with withholding, as the case may be.

4.9 Records; Audit. Licensee shall keep, and shall require its Affiliates and Sublicensees to keep, complete and accurate records pertaining to the sale or other disposition of Products in sufficient detail to permit WuXi Biologics to confirm the accuracy of any sales milestone, royalty payment or Sublicense Income due hereunder. Licensee will keep such books and records for [***] following the Calendar Year to which they pertain, or such longer period of time as may be required by Applicable Laws. Upon reasonable prior notice and during regular business hours at such place or places where such records are customarily kept, Licensee's records may be inspected on WuXi Biologics' behalf by an independent certified public accountant (the "Auditor") selected by WuXi Biologics and reasonably acceptable to Licensee for the sole purpose of verifying for WuXi Biologics the accuracy of the financial reports furnished by Licensee pursuant to this Agreement or of any payments made, or required to be made, to WuXi Biologics pursuant to this Agreement. Before beginning its audit, the Auditor shall execute an undertaking acceptable to each Party by which the Auditor agrees to keep confidential all information reviewed during the audit. Such audits shall be limited to once each Calendar Year. Such Auditor shall not disclose Licensee's Confidential Information to WuXi Biologics, and shall only report whether the financial reports provided by Licensee and the amount of payments made to WuXi Biologics are correct or not, and the amount of any discrepancies. In the event that the final result of the inspection reveals an undisputed underpayment or overpayment, the underpaid or overpaid amount shall be settled within [***] after the Auditor's report. [***] unless such audit reveals an underpayment by [***].

4.10 Late Payments. In the event that any payment due under this Agreement is not paid when due in accordance with the applicable provisions of this Agreement, the payment shall accrue interest from the date due at the annual interest rate equal to [***]

5. INTELLECTUAL PROPERTY

5.1 Ownership. Inventorship of all inventions made under this Agreement shall be determined in accordance with U.S. patent laws. Subject to the license grants and other rights herein, as between the Parties, each Party shall own and retain all right, title and interest in and to any and all Inventions that are conceived, discovered, developed or otherwise made solely by or on behalf of such Party (or its Affiliates or its or their (sub)licensees), whether or not patented or patentable, and any and all Patents and other intellectual property rights with respect thereto. WuXi Biologics shall promptly provide written disclosure to Licensee of all Inventions.

5.2 Patent Prosecution and Maintenance.

(a) [***], for the preparation, filing(s), prosecution, and/or post grant maintenance of any Product Patents or Licensed Patents (other than WuXi Biologics Platform Patents and WuXi Biologics [***] Patents) claiming the Licensed Antibody, in the Territory. [***], for the preparation, filing(s), prosecution, and/or post grant maintenance of any WuXi Biologics Platform Patents and WuXi Biologics [***] Patents, in the Territory. WuXi Biologics shall keep Licensee reasonably informed regarding the preparation, filing(s), prosecution, and/or post grant maintenance of any such WuXi Biologics [***] Patents, and WuXi Biologics Platform Patents.

(b) **IP Assignment.** Both Parties shall discuss in good faith if Licensee request WuXi Biologics to assign any Product Patents in the Territory.

5.3 Patent Enforcement.

(a) **Notice.** Each Party shall notify the other Party within [***] after becoming aware of any alleged or threatened infringement by a Third Party of any Product Patents or Licensed Patents in the Territory, which infringement adversely affects or is expected to adversely affect any Product in the Field, including any declaratory judgment, opposition, or similar action alleging the invalidity, unenforceability, or non-infringement of any of the Product Patents or Licensed Patents (collectively, "**Field Infringement**").

(b) Enforcement Right.

(i) As between the Parties, Licensee shall have the sole right to bring and control any legal action to enforce the Product Patents in connection with a Field Infringement [***] as it reasonably determines appropriate, [***].

(ii) As between the Parties, WuXi Biologics shall have the first right to bring and control any legal action to enforce the WuXi Biologics [***] Patents or WuXi Biologics Platform Patents in connection with a Field Infringement [***] as it reasonably determines appropriate, [***]. If WuXi Biologics elects not to or fails to initiate an infringement action against such Third Party infringement [***] after written notice of such infringement is first provided by a Party under this Section 5.3(a), Licensee may, [***] initiate legal action in the Territory against any infringer or alleged infringer (or violator) and control and defend such suit [***].

(iii) WuXi Biologics shall have the sole right to bring and control any legal action to enforce the WuXi Biologics [***] Patents or WuXi Biologics Platform Patents in connection with any infringement other than a Field Infringement [***] as it reasonably determines appropriate, and shall be entitled to keep any and all awards obtained as a result of such legal action conducted by WuXi Biologics.

(c) **Collaboration.** WuXi Biologics shall provide to Licensee reasonable assistance in such enforcement, [***], including being named in such action if required by Applicable Laws to pursue such action.

(d) **Other Infringement.** Except as set forth above, each Party shall have the exclusive right to enforce its own Patent against any infringement anywhere in the world.

5.4 Infringement of Third Party Rights. If any Licensed Antibody, Technical Information, Licensed IP, Product used or sold by Licensee, its Affiliates, or Sublicensees becomes the subject of a Third Party's claim or assertion of infringement of intellectual property rights in a jurisdiction within the Territory ("**Third Party Infringement Claim**"), Licensee shall promptly notify WuXi Biologics and the Parties shall promptly meet to consider the claim or assertion and the appropriate course of action and may, if appropriate, agree on and enter into a "common interest agreement" wherein the Parties agree to their shared, mutual interest in the outcome of such potential dispute, [***].

6. REPRESENTATIONS AND WARRANTIES

6.1 Mutual Representations and Warranties. Each Party represents and warrants to the other that, as of the Effective Date:

(a) it is duly organized and validly existing under the laws of its jurisdiction of incorporation or formation, and has full corporate or other power and authority to enter into this Agreement and to carry out the provisions hereof;

(b) it is duly authorized to execute and deliver this Agreement and to perform its obligations hereunder, and the person or persons executing this Agreement on its behalf has been duly authorized to do so by all requisite corporate or partnership action; and

(c) this Agreement is legally binding upon it, enforceable in accordance with its terms, and does not conflict with any agreement, instrument, or understanding, oral or written, to which it is a party or by which it may be bound, nor violate any material law or regulation of any court, governmental body, or administrative or other agency having jurisdiction over it.

6.2 Additional WuXi Biologics Representations, Warranties and Covenants. WuXi Biologics represents and warrants as of the Effective Date, and covenants, as applicable, to Licensee that:

(a) Schedule 1, 2, 3 and 4 are complete and accurate lists of all Patents Controlled by WuXi Biologics or any of its Affiliates as of the Effective Date included in the definition of Product Patents, WuXi Biologics Platform Patents, WuXi Biologics [***] Patents, or Licensed Patents and all such Patents listed on Schedule 1, 2, 3 and 4 are (i) solely and exclusively owned by WuXi Biologics, free of any encumbrance, lien, or claim of ownership by any Third Party, and (ii) filed and maintained properly and correctly and, except for the filing fees for [***], all applicable fees have been paid on or before the due date for payment or during any extension thereof;

(b) (i) The Patents set forth in Schedule 1, 2, 3 and 4 constitute all of the Patents Controlled by WuXi Biologics or any of its Affiliates that were actually practiced by WuXi Biologics or its Affiliates, or are necessary or reasonably useful for the Development, manufacture or Commercialization of the Licensed Antibody and Products in the Field in the Territory and (ii) as of the Effective Date, WuXi Biologics or its Affiliates does not own or hold rights to any Patents that would otherwise qualify as a Product Patent or Licensed Patent but for the fact that WuXi Biologics does not Control such Patent;

(c) Each of the Product Patents and Licensed Patents properly identifies each and every inventor of the claims thereof as determined in accordance with the laws of the jurisdiction in which such Patent is issued, or such application is pending;

(d) WuXi Biologics has the full authority and right to grant all rights and licenses it purports to grant to Licensee with respect to the Licensed IP under this Agreement, free and clear of any rights therein granted to any Third Party, and, to the extent applicable, WuXi Biologics has the full authority and right to assign all rights it may assign to Licensee with respect to the Product Patents under this Agreement, free and clear of any rights therein granted to any Third Party;

(e) All Licensed IP is owned by WuXi Biologics and is not held under license from any other person or entity, and all Product Patents are owned by WuXi Biologics and not held under license from any other person or entity;

(f) WuXi Biologics has not granted any liens or security interests on any of the Licensed IP or Product Patents, and WuXi Biologics shall not, and shall cause its Affiliates not to, assign, transfer, convey or otherwise encumber its right, title or interest in or to the Licensed IP;

(g) WuXi Biologics has not received any notice from a Third Party that the research or Development of any Licensed Antibody or Product conducted by WuXi Biologics prior to the Effective Date has infringed any Patents or misappropriated any Know-How of any Third Party;

(h) To WuXi Biologics' knowledge, the Development, use, manufacture, Commercialization, and other exploitation of any Licensed Antibody or Product in the Territory can be carried out as contemplated under this Agreement without infringing any Patents or misappropriating any Know-How owned or controlled by any Third Party;

(i) WuXi Biologics has not as of the Effective Date, and will not during the Term, grant to any Third Party any license, option, or other right, title or interest in or to the Licensed IP or Product Patents that would diminish, conflict with or be inconsistent with the rights granted to Licensee hereunder;

(j) There is no other agreement between WuXi Biologics or any of its Affiliates and any Third Party pursuant to which WuXi Biologics or its Affiliates has licensed, assigned or otherwise granted ownership in or to any right, title or interest in any Product Patent or Product Know-How that are necessary or useful for the Development, Manufacture, Commercialization or other exploitation of the Licensed Antibody and Products in the Field in the Territory;

(k) (i) No claim or action has been brought or, to WuXi Biologics' knowledge, threatened, by any Third Party alleging that (A) any of the Product Patents or Licensed Patents are invalid or unenforceable, or (B) the use of the Licensed Know-How infringes or misappropriates, or would infringe or misappropriate, any intellectual property right of any Third Party, and (ii) no facts or circumstances exist that would reasonably be expected to give rise to any such claims described in the foregoing subclause (i);

(l) There are no pending or, to WuXi Biologics' knowledge, alleged or threatened, (i) inter partes reviews, post-grant reviews, interferences, re-examinations, or oppositions involving the Product Patents or Licensed Patents that are in or before any patent authority (or other Governmental Authority performing similar functions) or (ii) inventorship challenges involving the Product Patents or Licensed Patents that are in or before any patent or other Governmental Authority;

(m) To WuXi Biologics' knowledge, no Third Party is infringing or misappropriating or has infringed or misappropriated or is threatening to infringe or misappropriate the Licensed IP or Product Patents;

(n) The Product Patents and Licensed Patents have, as of the Effective Date, been diligently prosecuted in the respective patent offices in the Territory in accordance with Applicable Law. The Product Patents and Licensed Patents have been filed and maintained properly and correctly and all applicable fees have been paid on or before the due date for payment;

(o) All current and former officers, employees, agents, and consultants of WuXi Biologics or any of its Affiliates who are inventors of or have otherwise contributed in a material manner to the creation or development of any Licensed IP or Product Patents have executed and delivered to WuXi Biologics or its Affiliate an assignment or other agreement regarding the protection of proprietary information and the assignment to WuXi Biologics or such Affiliate of any Licensed IP or Product Patent. To WuXi Biologics' knowledge, no current officer, employee, agent, or consultant of WuXi Biologics or any of its Affiliates is in violation of any term of any assignment or other agreement regarding the protection of intellectual property or proprietary information of WuXi Biologics or such Affiliate;

(p) The Licensed Know-How has been kept confidential or has been disclosed to Third Parties only under terms of confidentiality. To the knowledge of WuXi Biologics and its Affiliates, no breach of such confidentiality has been committed by any Third Party;

(q) The inventions claimed by the Product Patents and Licensed Patents (i) were not conceived, discovered, developed, or otherwise made in connection with any research activities funded, in whole or in part, by any Governmental Authority, including the federal government of the U.S. or any agency thereof, (ii) are not a "subject invention" as that term is described in 35 U.S.C. Section 201(e) or foreign equivalents;

(r) All information provided by WuXi Biologics to Licensee for due diligence purposes in relation to this Agreement is accurate in all material respects, and WuXi Biologics has not withheld or omitted to provide Licensee with any material information related to the Patents, Know-How or other intellectual property rights associated with the Licensed IP or Product Patents, or information related to the safety or efficacy of the Licensed Antibody or any Product and WuXi Biologics has, prior to the Effective Date, provided Licensee with a true, complete and correct copies of any documents and materials relating to the prosecution, defense, maintenance, validity and enforceability of the Product Patents and Licensed Patents;

(s) The Licensed Antibody has not been (i) obtained by [***] the Existing Bispecific Antibody or a variant obtained by modifying the Existing Bispecific Antibody structure or sequence [***]; or (ii) obtained by modifying the Existing Bispecific Antibody structure or sequence. For purposes of this Section 6.2(t), [***];

(t) (i) neither WuXi Biologics nor any of its Affiliates has granted to any Third Party any license, covenant not to sue, option or other rights to any Licensed Antibody, (ii) WuXi Biologics solely owns all right, title and interest in or to the Licensed Antibodies, (iii) no Patent owned or controlled by WuXi Biologics or any of its Affiliates, or Third Party with whom WuXi Biologics collaborated or otherwise engaged under a license, collaboration, or joint venture or similar strategic agreement in the discovery, generation, creation or conception of any Licensed Antibody or any of their Affiliates, covers any Licensed Antibody or its exploitation, (iv) WuXi Biologics owns all right, title and interest in and to each Licensed Patent and all inventors of each such Licensed Patents were employees of WuXi Biologics at the time of such invention, (v) termination of any WuXi Biologics agreement would not adversely effect Licensee's or its Affiliates' or Sublicensees' rights or obligations hereunder, and (vi) WuXi Biologics will not amend any existing WuXi Biologics agreement in a manner that adversely impacts Licensee; and

(u) WuXi Biologics shall promptly notify Licensee in the event any breach of the representations, warranties, or covenants set forth in Section 6.2.

(v) WuXi Biologics shall not pursue any patent claims directed to [***] in any Licensed Patent without the prior written consent of Licensee.

6.3 Disclaimer. EXCEPT AS EXPRESSLY STATED IN THIS AGREEMENT, LICENSOR DOES NOT MAKE ANY REPRESENTATIONS OR EXTEND ANY WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, WITH RESPECT TO NON-INFRINGEMENT, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF ANY LICENSED IP.

7. INDEMNIFICATION

7.1 Indemnification by Licensee. Licensee hereby agrees to defend, indemnify, and hold harmless WuXi Biologics and its respective directors, officers, employees, and agents (each, a “**WuXi Biologics Indemnatee**”) from and against any and all liabilities, expenses, and losses, including reasonable legal expenses and attorneys’ fees (collectively, “**Losses**”), to which any WuXi Biologics Indemnatee may become subject as a result of any claim, demand, action, or other proceeding (each, a “**Claim**”) by any Third Party to the extent such Losses arise out of:

(a) the Development, Manufacture, sell, offer for sale, import, export and other Commercialization of Product in the Field by Licensee or its Affiliates or Sublicensees;

(b) the gross negligence or willful misconduct of any Licensee Indemnatee in performing their obligations under this Agreement; or

(c) the breach by Licensee of any warranty, representation, covenant, or agreement made by Licensee in this Agreement;

except, in each case (a)-(c), to the extent such Losses arise out of any activities set forth in Sections 7.2(a)-(b) for which WuXi Biologics is obligated to indemnify any Licensee Indemnatee under Section 7.2.

7.2 Indemnification by WuXi Biologics. WuXi Biologics hereby agree to defend, indemnify, and hold harmless Licensee, its Affiliates, and Sublicensees and their respective directors, officers, employees, and agents (each, an “**Licensee Indemnatee**”) from and against any and all Losses to which any Licensee Indemnatee may become subject as a result of any Claim by any Third Party to the extent such Losses arise out of:

(a) the gross negligence or willful misconduct of any WuXi Biologics Indemnatee; or

(b) the breach by WuXi Biologics of any warranty, representation, covenant, or agreement made by WuXi Biologics in this Agreement;

except, in each case (a)-(b), to the extent such Losses arise out of any activities set forth in Sections 7.1(a)-(c) for which Licensee is obligated to indemnify the WuXi Biologics Indemnatee under Section 7.1.

7.3 Procedure.

(a) **Notice.** The Party claiming indemnity under this Article 7 (the “**Indemnified Party**”) shall give written notice to the Party from whom indemnity is being sought (the “**Indemnifying Party**”) promptly after learning of such Claim.

(b) **Control.** At the request of the Indemnified Party, the Indemnifying Party shall assume and conduct the defense of the Claim with counsel of its choice and the Indemnified Party shall provide the Indemnifying Party with reasonable assistance, [***], in connection with the defense of the Claim for which indemnity is being sought. The Indemnified Party may participate in and monitor such defense with counsel of its own choice [***]; provided, however, that in the case of a Third Party Infringement Claim, Licensee shall have the right to assume and conduct the defense of the Claim with counsel of its choice.

(c) Settlement Rights. The Indemnifying Party shall not settle any Claim without the prior written consent of the Indemnified Party, not to be unreasonably withheld, conditioned, or delayed, unless the settlement involves only the payment of money, no admission of wrong-doing or fault by the Indemnified Party, and no restriction on the future actions or activities of the Indemnified Party. So long as the Indemnifying Party is actively defending the Claim in good faith, the Indemnified Party shall not settle such Claim without the prior written consent of the Indemnifying Party.

7.4 Insurance. During the Term and for a commercially reasonable period of time thereafter, each Party, [***], shall maintain commercial general liability insurance and product liability and other appropriate insurance in an amount consistent with sound business practice and reasonable in light of its obligations under this Agreement. Each Party shall provide a certificate of insurance (or evidence of self-insurance) evidencing such coverage to the other Party upon request.

7.5 Limitation of Liability.

(a) NO CONSEQUENTIAL OR PUNITIVE DAMAGES. NEITHER PARTY NOR ANY OF ITS AFFILIATES WILL BE LIABLE FOR INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, EXEMPLARY OR PUNITIVE DAMAGES ARISING OUT OF THIS AGREEMENT OR THE EXERCISE OF ITS RIGHTS OR THE PERFORMANCE OF ITS OBLIGATIONS HEREUNDER, INCLUDING ANY LOST PROFITS ARISING OUT OF THIS AGREEMENT, IN EACH CASE HOWEVER CAUSED AND ON ANY THEORY OF LIABILITY, WHETHER IN CONTRACT, TORT, NEGLIGENCE, BREACH OF STATUTORY DUTY OR OTHERWISE. THE FOREGOING LIMITATIONS DO NOT APPLY TO (I) A PARTY'S INDEMNIFICATION OBLIGATIONS UNDER SECTION 7.1 OR 7.2; (II) LOSSES ARISING OUT OF OR RELATING TO A PARTY'S BREACH OF ITS CONFIDENTIALITY OBLIGATIONS UNDER SECTION 8 OR A BREACH OF SECTION 3.6; (III) LOSSES ARISING OUT OF OR RELATING TO THE GROSS NEGLIGENCE, WILLFUL MISCONDUCT OR FRAUD OF A PARTY OR ANY OF ITS AFFILIATES; OR (IV) BREACH OF SECTIONS 6.2(t) OR 6.2(u).

(b) LIABILITY CAP. EXCEPT FOR A BREACH BY WUXI BIOLOGICS OF ITS CONFIDENTIALITY OBLIGATIONS IN SECTION 8, INDEMNIFICATION OBLIGATIONS IN SECTION 7, A BREACH OF SECTION 3.6, OR A BREACH OF THE REPRESENTATIONS, WARRANTIES AND COVENANTS IN SECTIONS 6.2(b), 6.2(i), 6.2(s) and 6.2(t), OR ITS GROSS NEGLIGENCE, WILLFUL MISCONDUCT OR FRAUD, THE AGGREGATE AMOUNT OF LICENSOR'S LIABILITY UNDER THIS AGREEMENT FOR ALL CLAIMS, SHALL BE NO MORE THAN THE AMOUNT OF PAYMENTS PAID OR PAYABLE BY LICENSOR FROM LICENSEE UNDER THIS AGREEMENT AT THE TIME WHEN SUCH LIABILITY ARISES.

8. CONFIDENTIALITY

8.1 Confidential Information. Except to the extent expressly authorized by this Agreement or otherwise agreed in writing by the Parties, the Parties agree that, during the Term and for [***] thereafter, the receiving Party shall keep confidential and shall not publish or otherwise disclose, and shall not use for any purpose other than as expressly provided for in this Agreement, any Confidential Information of the other Party, and both Parties shall keep confidential and, subject to the remainder of this Article 8, shall not publish or otherwise disclose the terms of this Agreement. Each Party may use the other Party's Confidential Information only to the extent required to accomplish the purposes of this Agreement, including exercising its rights and performing its obligations under this Agreement. Each Party will use at least the same standard of care as it uses to protect proprietary or confidential information of its own (but in any event no less than reasonable care) to ensure that its employees, agents, consultants, contractors, and other representatives do not disclose or make any unauthorized use of the other Party's Confidential Information. Each Party will promptly notify the other upon discovery of any loss or unauthorized use or disclosure of the other Party's Confidential Information.

8.2 Exceptions. The obligations of confidentiality and restriction on use under Section 8.1 will not apply to any information that the receiving Party can prove by competent written evidence:

(a) is now, or hereafter becomes, through no act or failure to act on the part of the receiving Party, generally known or available to the public;

(b) is known by the receiving Party at the time of its receipt of such information, other than by previous disclosure of the disclosing Party, or its Affiliates, employees, agents, consultants, or contractors; provided, that, for clarity, the foregoing exception shall not apply to Licensed Know-How;

(c) is hereafter furnished to the receiving Party without restriction by a Third Party who has no obligation of confidentiality or limitations on use with respect thereto, as a matter of right; or

(d) is independently discovered or developed by the receiving Party without the use of the disclosing Party's Confidential Information.

8.3 Authorized Disclosure. Each Party may disclose Confidential Information belonging to the other Party as expressly permitted by this Agreement or if and to the extent such disclosure is reasonably necessary in the following instances:

(a) filing, prosecuting, and maintaining Patents as permitted by this Agreement;

(b) filing and maintaining Regulatory Approvals and other Regulatory Filings for Products that such Party has a license or right to Develop, Manufacture, and Commercialize under this Agreement in a given country or jurisdiction;

(c) prosecuting or defending against litigation as permitted by this Agreement;

(d) complying with Applicable Law (including regulations promulgated by securities exchanges) or court or administrative orders;

(e) disclosure to actual and bona fide potential investors, acquirers, licensees, and other financial or commercial partners for the purpose of evaluating or carrying out an actual or potential investment, acquisition, or collaboration, in each case under written obligations of confidentiality and non-use at least as stringent as those herein or otherwise customary for the circumstances of disclosure; and

(f) disclosure to its and its Affiliates' employees, consultants, contractors, agents, licensees, and sublicensees, in each case on a need-to-know basis in connection with the Development, Manufacture, Commercialization or other exploitation of the Licensed Antibody and Product in accordance with the terms of this Agreement, in each case under written obligations of confidentiality and non-use at least as stringent as those herein.

Notwithstanding the foregoing, in the event that a Party is required to make a disclosure of the other Party's Confidential Information pursuant to Section 8.3(c) or 8.3(d), it will, except where impracticable, give reasonable advance notice to the other Party of such disclosure and use efforts to secure confidential treatment of such Confidential Information at least as diligent as such Party would use to protect its own confidential information of a similar nature, but in no event less than reasonable efforts. In any event, the Parties agree to take all reasonable action to avoid disclosure of Confidential Information. Any information disclosed pursuant to any of the foregoing subsections shall remain Confidential Information and subject to the foregoing provisions of this Article 8.

8.4 Publications. Licensee shall have the sole right, at its sole discretion, to publish or otherwise disclose (a) the results of and other information regarding any Development activities performed under this Agreement with respect to any Product, and (b) sequence information with respect to any Product, solely to the extent that such sequence information has not been previously published as permitted under this Agreement.

8.5 Publicity; Public Disclosures Neither Party shall issue any other public announcement, press release or other public disclosure regarding the terms of this Agreement without the other Party's prior written consent, except for any such announcement, release or disclosure that is, in the opinion of counsel of the Party proposing to issue such announcement, release or disclosure, required by Applicable Law or the rules of a stock exchange on which the securities of the Party proposing to issue such announcement, release or disclosure are listed (or to which an application for listing has been submitted). The Parties will consult with each other on the provisions of this Agreement to be redacted in any filings made by a Party with the SEC or as otherwise required by Applicable Laws, provided that each Party shall have the right to make any such filing as it reasonably determines necessary under Applicable Laws. In addition, once the existence of this Agreement, the identity of the other Party, or any terms of this Agreement are publicly disclosed in accordance with this Section 8.5, either Party shall be free to disclose, without the other Party's prior written consent, such information as has already been publicly disclosed in accordance with this Section 8.5.

8.6 Equitable Relief. Given the nature of the Confidential Information and the competitive damage that a Party would suffer upon unauthorized disclosure, use, or transfer of its Confidential Information to any Third Party, the Parties agree that monetary damages may not be a sufficient remedy for any breach of this Article 8. In addition to all other remedies, a Party shall be entitled to seek specific performance and injunctive and other equitable relief as a remedy for any breach or threatened breach of this Article 8.

9. TERM AND TERMINATION

9.1 Term. This Agreement shall commence on the Effective Date and, unless terminated earlier as provided in this Article 9 or by mutual written agreement of the Parties, shall continue, on a Product-by-Product and country-by-country basis, until the expiration of the Royalty Term for such Product in such country (the “**Term**”). Upon such expiration, the license with respect to the corresponding Product and the corresponding country would become fully paid up, perpetual, and irrevocable.

9.2 Termination by Candid for Convenience. At any time, Candid shall have the right to terminate the Agreement in its entirety, or on a country-by-country basis, at any time, for any or no reason, upon [***] prior written notice to WuXi Biologics.

9.3 Termination for Cause.

(a) Material Breach. Each Party shall have the right to terminate this Agreement immediately in its entirety upon written notice to the other Party if such other Party materially breaches this Agreement and has not cured such breach to the reasonable satisfaction of the other Party within [***] after notice of such breach from the non-breaching Party, provided that if Licensee’s material breach is specific to a particular country or jurisdiction in the Territory, then WuXi Biologics shall only have the right to terminate this Agreement to such country or jurisdiction. If cure of such breach (other than non-payment) cannot reasonably be effected within such [***], the breaching Party shall deliver to the non-breaching Party a plan reasonably calculated to cure such breach within a reasonable timeframe, but in any event within [***]. If the breaching Party fails to diligently carry out such plan and cure such breach as provided above, then the non-breaching Party may terminate this Agreement upon written notice to the breaching Party.

(b) Disputed Breach. If the alleged breaching Party disputes in good faith the existence or materiality of a breach specified in a notice provided by the other Party, and such alleged breaching Party provides the other Party notice of such dispute within [***], then the other Party shall not have the right to terminate this Agreement under Section 9.3(a) unless and until a panel of arbitrators, in accordance with Section 10.2, has determined that the alleged breaching Party has materially breached this Agreement and such Party fails to cure such breach within the applicable cure period set forth above following such decision.

(c) Bankruptcy. Each Party shall have the right to terminate this Agreement immediately in its entirety upon written notice to the other Party if such other Party makes a general assignment for the benefit of creditors, files an insolvency petition in bankruptcy, petitions for or acquiesces in the appointment of any receiver, trustee, or similar officer to liquidate or conserve its business or any substantial part of its assets, commences under the laws of any jurisdiction any proceeding involving its insolvency, bankruptcy, reorganization, adjustment of debt, dissolution, liquidation, or any other similar proceeding for the release of financially distressed debtors or becomes a party to any proceeding or action of the type described above and such proceeding is not dismissed within [***] after the commencement thereof.

(d) Patent Challenge. If Licensee or its Affiliates or Sublicensees, directly or indirectly through any Third Party, commences any interference or opposition proceeding with respect to, challenges the validity or enforceability of, or opposes any extension of or the grant of a supplementary protection certificate with respect to, any Licensed Patent (“**WuXi Biologics Patent Challenge**”), then WuXi Biologics, at its discretion, may give written notice to Licensee that WuXi Biologics will terminate the license granted to Licensee under Section 2.1 to such Licensed Patent unless such WuXi Biologics Patent Challenge is withdrawn, abandoned, or terminated as appropriate within [***] after receipt of such written notice. For the avoidance of doubt, any WuXi Biologics Patent Challenge asserted as a defense or counterclaim to an action first brought by WuXi Biologics or any of its Affiliates against the Licensee or any of its Affiliates or Sublicensees will not give rise to a right to terminate this Agreement by WuXi Biologics under this Section 9.3(d).

9.4 Effects of Termination. Upon any termination of this Agreement in its entirety or with respect to a Product or country by either Party, the following terms will apply. (For clarity, during the pendency of any dispute regarding material breach and/or any termination notice period, all of the terms and conditions of this Agreement shall remain in effect and the Parties shall continue to perform all of their respective obligations hereunder.)

(a) Licenses. Unless otherwise provided in this Section 9.4, if the Agreement is terminated in its entirety, the licenses granted by WuXi Biologics under this Agreement either as to the Product or the country in question, as the case may be, will automatically terminate. If termination of this Agreement solely with respect to a Product (the “**Terminated Product**”) or country (the “**Terminated Country**”), the license granted by WuXi Biologics to Licensee shall terminate with respect to such Terminated Product or Terminated Country and this Agreement shall continue in full force and effect with respect to all other Products and other countries in the Territory not subject to termination.

(b) Sublicensees. At each Sublicensee’s request, WuXi Biologics shall grant to such Sublicensee a direct license, provided that such Sublicensee is not then in default of its sublicense agreement. Such direct license shall not obligate such Sublicensee to perform contractual obligations greater than those set forth herein, and the scope of such direct license shall be no less than the scope of the license granted in this Agreement and sublicensed to such Sublicensee.

9.5 Confidential Information. Upon expiration or termination of this Agreement in its entirety, each Party shall promptly return to the other Party, or delete or destroy, all relevant records and materials in such Party’s possession or control containing Confidential Information of the other Party, provided that a Party may keep one copy of such materials for legal archival purposes subject to continuing confidentiality obligations and provided that unless otherwise expressly provided, Licensee has no obligation to transfer any Regulatory Approvals, all submissions for the Regulatory Approvals, registration dossier, clinical, technical and other relevant reports, records, data, information and materials of the Development, Manufacture or Commercialization of the terminated Products made by or on behalf of Licensee. Notwithstanding the foregoing, Licensee shall not be required to return or destroy such record and materials following expiration (not termination) of this Agreement in order to exercise the license granted to it in the last section of Section 9.1

9.6 Alternative Remedy in Lieu of Termination. If WuXi Biologics materially breaches Sections 2.1, 3.6, 6.1, 6.2(a), 6.2(b), 6.2(d), 6.2(e), 6.3(f), 6.3(i) or 6.3(j) of this Agreement and due to which the Licensee has a right to terminate pursuant to Section 9.3(a), then, both Parties shall discuss in good faith to explore alternative remedies; provided, however, that any alternative remedy determined in good faith between the Parties shall [***]

9.7 Survival. Expiration or termination of this Agreement shall not relieve the Parties of any obligation or right accruing prior to such expiration or termination. Except as set forth below or elsewhere in this Agreement, the obligations and rights of the Parties under the following provisions of this Agreement shall survive expiration or termination of this Agreement: Articles 5, 7, 8, 9, 10 and 11.

9.8 Termination Not Sole Remedy. Termination is not the sole remedy under this Agreement and, whether or not termination is effected and notwithstanding anything contained in this Agreement to the contrary, all other remedies shall remain available except as agreed to otherwise herein

10. GOVERNING LAW AND DISPUTE RESOLUTION

10.1 Governing Law. This Agreement will be governed by and interpreted under the laws of the State of New York, without reference to any rules of conflict of laws and excluding the United Nations Convention on Contracts for the International Sales of Goods.

10.2 Dispute Resolution. The Parties recognize that disputes as to certain matters may from time to time arise during the Term which relate to either Party's rights or obligations hereunder. It is the objective of the Parties to establish procedures to facilitate the resolution of disputes arising under this Agreement in an expedient manner by mutual cooperation and without resort to litigation. To accomplish this objective, the Parties agree to follow the procedures set forth in this Section 10.2 to resolve any controversy or claim arising out of, relating to or in connection with any provision of this Agreement, if and when a dispute arises under this Agreement.

(a) Internal Resolution. With respect to all disputes arising between the Parties under this Agreement, including, without limitation, any alleged breach under this Agreement or any issue relating to the interpretation or application of this Agreement, if the Parties are unable to resolve such dispute within [***] after such dispute is first identified by either Party in writing to the other, the Parties shall refer such dispute to the Executive Officers of the Parties for attempted resolution by good faith negotiations within [***] after such notice is received.

(b) Binding Arbitration.

(i) If the Parties fail to resolve the dispute through escalation to the Executive Officers under Section 10.2(a), and a Party desires to pursue resolution of the dispute, the dispute shall be submitted by either Party for resolution in arbitration administered [***].

(ii) The arbitration shall be conducted by a panel of three arbitrators experienced in the pharmaceutical business: within [***] after initiation of arbitration, each Party shall select one person to act as arbitrator and the two Party-selected arbitrators shall select a third arbitrator (who shall be the chairperson of the arbitration panel) within [***] of their appointment. If the arbitrators selected by the Parties are unable or fail to agree upon the third arbitrator, the third arbitrator shall be appointed by [***]. If, however, the aggregate award sought by the Parties is [***] and equitable relief is not sought, the arbitration shall be conducted by a single arbitrator agreed by the Parties (or appointed by [***] if the Parties cannot agree).

(iii) The seat and location of the arbitration shall be [***] and the language of the proceedings shall be English. The arbitral tribunal shall determine the dispute by applying the provisions of this Agreement and the governing law set forth in Section 10.1. The Parties agree that any award or decision made by the arbitral tribunal shall be final and binding upon them and may be enforced in the same manner as a judgment or order of a court of competent jurisdiction.

(iv) By agreeing to arbitration, the Parties shall not deprive any court of its jurisdiction to issue, at the request of a Party, a pre-arbitral injunction, pre-arbitral attachment or other injunctive or equitable relief. Without prejudice to such equitable remedies in aid of arbitration as may be available under the jurisdiction of a competent court, the arbitral tribunal shall have full authority to grant equitable remedies and to award damages for the failure of any Party to the dispute to respect the arbitral tribunal's order to that effect.

(v) [***].

(vi) Notwithstanding anything in this Section 10.2(b), in the event of a dispute with respect to the validity, scope, enforceability or ownership of any Patent or other intellectual property rights, and such dispute is not resolved in accordance with Section 10.2(a), such dispute shall not be submitted to an arbitration proceeding in accordance with this Section 10.2(b), unless otherwise agreed by the Parties in writing, and instead either Party may initiate litigation in a court of competent jurisdiction in any Country in which such rights apply.

11. GENERAL PROVISIONS

11.1 Entire Agreement; Modification. This Agreement, including the Schedules, is both a final expression of the Parties' agreement and a complete and exclusive statement with respect to all of its terms. This Agreement supersedes all prior and contemporaneous agreements and communications, whether oral, written, or otherwise, concerning any and all matters contained herein, including the Confidentiality Agreement. This Agreement may only be modified or supplemented in a writing expressly stated for such purpose and signed by the Parties to this Agreement.

11.2 Relationship Between the Parties. The Parties' relationship, as established by this Agreement, is solely that of independent contractors. This Agreement does not create any partnership, joint venture, or similar business relationship between the Parties. Neither Party is a legal representative of the other Party, and neither Party can assume or create any obligation, representation, warranty, or guarantee, express or implied, on behalf of the other Party for any purpose whatsoever.

11.3 Performance by Affiliates. Each Party may discharge any obligations and exercise any right under this Agreement through any of its Affiliates. Either Party shall cause its Affiliates to comply with the provisions of this Agreement in connection with any performance of its obligations under this Agreement.

11.4 No Benefit to Third Parties. Except as provided in Article 6, covenants and agreements set forth in this Agreement are for the sole benefit of the Parties and their successors and permitted assigns, and they shall not be construed as conferring any rights on any other persons or entities.

11.5 Waiver. The waiver by either Party of any right under this Agreement or of the failure to perform or of a breach by the other Party shall not be deemed a waiver of any other right hereunder or of any other breach or failure by such other Party whether of a similar nature or otherwise. Any waiver by a Party of a particular term or condition will be effective only if set forth in a written instrument duly executed by or on behalf of the Party waiving such term or condition.

11.6 Assignment. Except as expressly provided hereunder, neither this Agreement nor any rights or obligations hereunder may be assigned or otherwise transferred by either Party without the prior written consent of the other Party (which consent shall not be unreasonably withheld, conditioned, or delayed). The Parties may assign or otherwise transfer this Agreement and its rights and obligations hereunder without the other Party's consent as follows:

(a) in connection with a sale of all or substantially all of the business or assets of such Party (and for clarity, in the case of Licensee, in connection with a sale of all or substantially all of its rights, title and interest in and to all Licensed Antibody and Products in the Territory), whether by merger, consolidation, divestiture, restructure, sale of stock, sale of assets, or otherwise; or

(b) the Licensee may assign this Agreement and its rights and obligations hereunder to an Affiliate of Licensee without the consent of WuXi Biologics, which consent not to be unreasonably withheld, conditioned or delayed, provided that if the entity to which this Agreement is assigned ceases to be an Affiliate of the assigning Party, this Agreement shall be automatically assigned back to the assigning Party or its successor.

The rights and obligations of the Parties under this Agreement shall be binding upon and inure to the benefit of the successors and permitted assigns of the Parties specified above, and the name of a Party appearing herein will be deemed to include the name of such Party's successors and permitted assigns to the extent necessary to carry out the intent of this Section 11.6. Any assignment not in accordance with this Section 11.6 shall be null and void and of no legal force or effect.

11.7 Severability. If, for any reason, any part of this Agreement is adjudicated invalid, unenforceable, or illegal by a court of competent jurisdiction, such adjudication shall not affect or impair, in whole or in part, the validity, enforceability, or legality of any remaining portions of this Agreement. The Parties will in such an instance use their best efforts to replace the invalid, unenforceable, or illegal provision(s) with valid, enforceable, and legal provision(s) that best implement the original intent of the Parties and purposes of this Agreement.

11.8 Notices. Any notice to be given under this Agreement must be in writing and delivered either (a) in person or (b) by (i) air mail (postage prepaid) requiring return receipt or (ii) overnight courier, or (iii) facsimile or email, in each case to the Party to be notified at its address given below, or at any other address such Party may designate by prior written notice to the other in accordance with this Section 11.8. Notice shall be deemed sufficiently given for all purposes upon the earliest of: (w) if personally delivered, the date of actual receipt; (x) if air mailed, [***] after the date of postmark; (y) if delivered by overnight courier, the next day the overnight courier regularly makes deliveries; or (z) if sent by facsimile or by email, the date of confirmation of receipt if during the recipient's normal business hours, otherwise the next Business Day.

If sent to WuXi Biologics, notices must be addressed to:

[***]

If sent to Licensee, notices must be addressed to:

[***]

11.9 Force Majeure. Each Party shall be excused from liability for the failure or delay in performance of any obligation under this Agreement by reason of any event beyond such Party's reasonable control, including fire, flood, explosion, earthquake, pandemic, or other natural forces or acts of God, war, civil unrest, acts of terrorism, accident, destruction, or other casualty, any lack or failure of transportation facilities, any lack or failure of supply of raw materials, or any other event similar to those enumerated above. Such excuse from liability shall be effective only to the extent and duration of the event(s) causing the failure or delay in performance and where the Party has not caused such event(s) to occur. Notice of a Party's failure or delay in performance due to force majeure must be given to the other Party within [***] after its occurrence. All delivery dates under this Agreement that have been affected by force majeure shall be tolled for the duration of such force majeure. In no event shall any Party be required to prevent or settle any labor disturbance or dispute.

11.10 Interpretation. The headings of clauses contained in this Agreement preceding the text of the sections, subsections, and paragraphs hereof are inserted solely for convenience and ease of reference only and shall not constitute any part of this Agreement, or have any effect on its interpretation or construction. All references in this Agreement to the singular shall include the plural where applicable. Unless otherwise specified, references in this Agreement to any Article shall include all Sections, subsections, and paragraphs in such Article, references to any Section shall include all subsections and paragraphs in such Section, and references in this Agreement to any subsection shall include all paragraphs in such subsection. The word "including" and similar words means including without limitation. The word "or" means "and/or" unless the context dictates otherwise because the subjects of the conjunction are, or are intended to be, mutually exclusive. The words "herein", "hereof", and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Section or other subdivision. All references to days in this Agreement mean calendar days, unless otherwise specified. Ambiguities and uncertainties in this Agreement, if any, shall not be interpreted against either Party, irrespective of which Party may be deemed to have caused the ambiguity or uncertainty to exist. This Agreement has been prepared in the English language and the English language shall control its interpretation. In addition, all notices required or permitted to be given hereunder, and all written, electronic, oral, or other communications between the Parties regarding this Agreement shall be in the English language.

11.11 Counterparts; Electronic or Facsimile Signatures. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument. This Agreement may be executed and delivered electronically or by facsimile and upon such delivery such electronic or facsimile signature will be deemed to have the same effect as if the original signature had been delivered to the other Party.

11.12 Restricted Information Sharing. Notwithstanding anything to the contrary, nothing in this Agreement obligates Licensee, its Affiliates or Sublicensees to disclose or provide access to any information to WuXi Biologics, its Affiliates or otherwise to the extent such disclosure or access would, in the reasonable opinion of Licensee's (or such Affiliate's or Sublicensee's) outside counsel, violate an Applicable Law in the United States of America.

{SIGNATURE PAGE FOLLOWS}

IN WITNESS WHEREOF, the Parties hereto have caused this LICENSE AGREEMENT to be executed and entered into by their duly authorized representatives as of the Effective Date.

CANDID THERAPEUTICS, INC.

By: /s/ Ken Song

Name: Ken Song

Title: President and CEO

WUXI BIOLOGICS (SHANGHAI) CO., LTD

By: /s/ Zhisheng Chen

Name: Zhisheng Chen

Title: CEO

Schedule 1
Product Patents

Country/Region	Patent Application No.	Filing Date	Title	Status
***	***	***	***	***

2-1 WuXiBody Patents

[illegible]

[illegible]

Country/Region	Patent Application No.	Filing Date	Title	Status
***	***	***	***	***
***	***	***	***	***
***	***	***	***	***
***	***	***	***	***

WuXi Biologics [*] Patents**

[illegible]

None

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the use in this Registration Statement on Form S-4 of our report dated March 16, 2026, relating to the financial statements of Rallybio Corporation. We also consent to the reference to us under the heading “Experts” in such Registration Statement.

/s/ Deloitte & Touche LLP

Hartford, Connecticut

March 16, 2026

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the use in this Registration Statement on Form S-4 of our report dated March 16, 2026, relating to the financial statements of Candid Therapeutics, Inc. We also consent to the reference to us under the heading “Experts” in such Registration Statement.

/s/ Deloitte & Touche LLP

San Diego, California
March 16, 2026

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the use in this Registration Statement on Form S-4 of our report dated March 16, 2026, relating to the financial statements of Vignette Bio, Inc. We also consent to the reference to us under the heading “Experts” in such Registration Statement.

/s/ Deloitte & Touche LLP

San Diego, California
March 16, 2026

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the use in this Registration Statement on Form S-4 of our report dated March 16, 2026, relating to the financial statements of TRC 2004, Inc. We also consent to the reference to us under the heading “Experts” in such Registration Statement.

/s/ Deloitte & Touche LLP

San Diego, California
March 16, 2026

CONSENT OF CITIZENS JMP SECURITIES, LLC

We hereby consent to the use of our opinion letter, dated March 1, 2026, to the Board of Directors of Rallybio Corporation, included as Annex B to the proxy statement / prospectus which forms a part of the Registration Statement on Form S-4 of Rallybio Corporation, to be filed on the date hereof, and to the references to such opinion in such proxy statement / prospectus under the captions: “Prospectus Summary – Opinion of Citizens JMP Securities, LLC,” “The Merger – Background of the Merger” and “The Merger – Opinion of Citizens JMP Securities, LLC (Rallybio’s Financial Advisor).” In giving such consent, we do not admit that we come within the category of persons whose consent is required under Section 7 of the Securities Act of 1933, as amended, or the rules and regulations of the Securities and Exchange Commission thereunder, nor do we thereby admit that we are experts with respect to any part of such Registration Statement within the meaning of the term “expert” as used in the Securities Act of 1933, as amended, or the rules and regulations of the Securities and Exchange Commission thereunder. Additionally, such consent does not cover any amendments to the Registration Statement.

/s/ CITIZENS JMP SECURITIES, LLC

New York, New York

March 16, 2026

S-4
Rallybio Corp

☐ Not Applicable

Offering Note

☒ Not Applicable[illegible]

	Security Type	Security Class Title	Amount of Securities Previously Registered	Maximum Aggregate Offering Price of Securities Previously Registered	Form Type	File Number	Initial Effective Date