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

FORM 8-K

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

Date of Report (Date of earliest event reported): March 27, 2024

AVALO THERAPEUTICS, INC.
(Exact name of registrant as specified in its charter)

Delaware		
(State or other jurisdiction of incorporation)		
001-37590		**45-0705648**
(Commission File Number)		**(IRS Employer Identification No.)**

540 Gaither Road, Suite 400, Rockville, Maryland 20850
(Address of principal executive offices) (Zip Code)

Registrant's Telephone Number, Including Area Code: (410) 522-8707

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

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

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

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

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

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.001 Par Value	AVTX	Nasdaq Capital Market

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

Emerging Growth Company ☐

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

Item 1.01 Entry into a Material Definitive Agreement.

Agreement and Plan of Merger and Reorganization

On March 27, 2024, Avalo Therapeutics, Inc. (the "Company") entered into an agreement and plan of merger and reorganization (the "Merger Agreement"), with Project Athens Merger Sub, Inc. ("Merger Sub"), Second Project Athens Merger Sub, LLC ("Second Merger Sub") and AlmataBio, Inc. ("Almata"). Pursuant to the Merger Agreement on March 27, 2024, Merger Sub merged with and into Almata, with Almata continuing as the surviving entity, and immediately thereafter Almata merged with and into Second Merger Sub (collectively, the "Merger"), with Second Merger Sub as the surviving entity and a wholly owned subsidiary of the Company (the "Subsidiary"). Current officers of the Company will serve as officers of the Subsidiary. No person affiliated with Almata serves as an officer or employee of the Company or the Subsidiary following completion of the Merger.

As consideration for the Merger, the Company issued to the Almata stockholders an aggregate of 171,605 shares of the Company's common stock, $0.001 par value per share (the "Common Stock") and an aggregate of 2,412 shares of Series C Preferred Stock (as defined and described in Item 5.03 below), valued at approximately $15 million in the aggregate. The shares of Common Stock and Series C Preferred Stock issued pursuant to the Merger Agreement were issued in a transaction exempt from registration under the Securities Act of 1933, as amended (the "Securities Act"), in reliance on Section 4(a)(2) thereof. Such shares may not be offered or sold in the United States absent registration or exemption from registration under the Securities Act and any applicable state securities laws.

Pursuant to the Merger Agreement, the Company has agreed to an aggregate milestone payment of $7.5 million in cash due upon the closing of the Private Placement (as defined below), a second aggregate milestone payment of $5.0 million due upon the first patient being dosed in a Phase 2 trial for the indication of hidradenitis suppurative (HS) (the "Dosing Date") and a third aggregate milestone payment of $15.0 million due upon the first patient being dosed in a Phase 3 trial (regardless of indication). The Almata stockholders have the option to elect to have the second and third milestone payments be paid in cash, shares of Avalo common stock or a combination thereof. In the absence of timely notice of such election, Avalo may elect to pay the second and third milestones in cash or Common Stock of Avalo or a combination thereof. The number of shares of Common Stock payable in respect of the second or third milestone payment will be based upon the equation set forth in the Merger Agreement, which is based on a volume weighted 20 trading day average beginning on and including the first full trading day that is 10 trading days prior to the date of the public announcement of achievement of such milestone, and is subject to the Required Stockholder Approval and the Beneficial Ownership Limitation as described below.

Pursuant to the Merger Agreement, Jonathan Goldman was appointed to the Company's Board of Directors (the "Board") effective on the closing of the Merger.

The Merger Agreement contains customary representations and warranties that the parties made to, and are solely for the benefit of, each other. Investors and security holders should not rely on the representation and warranties as characterizations of the actual state of facts since they were made only as of the date of the Merger Agreement. Moreover, information concerning the subject matter of such representation and warranties may change after the date of the Merger Agreement, which subsequent information may or may not be fully reflected in public disclosures.

The Series C Preferred Stock is not convertible into shares of Common Stock unless and until the Company stockholders approve the issuance of the shares of Common Stock of the Company to be issued upon conversion of such shares of Preferred Stock and exercise of the Warrants (as defined below) (the "Required Stockholder Approval"). Pursuant to the Securities Purchase Agreement (defined below), the Company is obligated to file a proxy statement with the Securities and Exchange Commission for a stockholder meeting to seek the Required Stockholder Approval not later than 75 days after March 27, 2024. If the Required Stockholder Approval is not obtained at that meeting, the Company must hold a stockholder meeting at least once every 90 days until the Required Stockholder Approval is obtained.

Pursuant to the Merger Agreement, the Almata stockholders may not sell or otherwise dispose of their shares of Common Stock or Series C Preferred Stock received in the Merger for a period of six months.

The Board of Directors of the Company unanimously approved the Merger Agreement and the related transactions. The Merger has been consummated substantially concurrently with the entry into the Merger Agreement, and was not subject to approval of the Company's stockholders.

Securities Purchase Agreement

On March 27, 2024, the Company entered into a securities purchase agreement (the "Securities Purchase Agreement") with certain investors party thereto (the "Purchasers"), pursuant to which the Company will issue and sell 19,945.890625 shares (the "Shares") of Series C Preferred Stock initially convertible following Required Stockholder Approval into an aggregate of up to 19,945,897 shares of Common Stock (the "Exercise Shares") with an aggregate value of $115.6 million and warrants (the "Warrants") to purchase 11,967,526 shares of Common Stock (the "Warrant Shares" and together with the Exercise Shares, the "Derivative Shares") or shares of Series C Preferred Stock exercisable into such shares of Common Stock, at the holders' option, for an exercise price equal to $5.796933 per share of Common Stock (the "Private Placement").

The Warrants will become exercisable on (i) the date of the closing of the Private Placement, estimated to be on or around March 28, 2024, if exercised for shares of Series C Preferred Stock or (ii) upon the date that the Required Stockholder Approval is received if exercised for shares of Common Stock. The Warrants will expire on the earlier of (y) the fifth anniversary of the date of issuance or (z) the thirty-first day following the public announcement of the Dosing Date, provided that if the Required Stockholder Approval has not been received by the Dosing Date, then the warrants will expire on the earlier of the (A) the fifth anniversary of the date of issuance or (B) thirty-first day following receipt of the Required Stockholder Approval. The Warrants include anti-dilution protection.

The upfront net proceeds from the Private Placement, after deducting estimated transaction fees and expenses of the Merger and the Private Placement of approximately $105 million are expected to be used for Milestone payments to Almata stockholders and general corporate purposes, including accounts payable. Pursuant to the Securities Purchase Agreement and the Series C Certificate of Designation, the Company is prohibited from consummating a subsequent equity or equity-linked financing until the earlier of (i) the first anniversary of the Private Placement without the consent of the lead investors in the Private Placement or (ii) the date the Derivative Shares (as defined therein) are freely tradeable without any restriction or limitation, whether under Rule 144 of the Securities Act or an effective registration statement.

The Securities Purchase Agreement contains representations and warranties that the parties made to, and are solely for the benefit of, each other. Investors and security holders should not rely on the representation and warranties as characterizations of the actual state of facts since they were made only as of the date of the Securities Purchase Agreement (except for the representations and warranties that speak as of a specific date, which shall be made as of such date). Moreover, information concerning the subject matter of such representation and warranties may change after the date of the Securities Purchase Agreement, which subsequent information may or may not be fully reflected in public disclosures.

The Shares and Warrants were sold in a transaction exempt from registration under the Securities Act in reliance on Section 4(a)(2) thereof. The Shares, Warrants and Derivative Shares may not be offered or sold in the United States absent registration or exemption from registration under the Securities Act and any applicable state securities laws.

Registration Rights Agreement

In connection with the Securities Purchase Agreement, the Company will enter into a registration rights agreement with the Purchasers, upon closing of the Private Placement (the "Registration Rights Agreement"). Pursuant to the Registration Rights Agreement, the Company has agreed to file a registration statement registering for resale the (i) shares of Common Stock underlying the Shares and Warrants, (ii) Shares, (iii) Warrants and (iv) shares of Series C Preferred Stock issued pursuant to the Merger Agreement. The Company has agreed to file such registration statement within 75 days of March 28, 2024, and have such registration statement declared effective with 135 days of March 28, 2024. If the registration statement is not declared effective by that date, the Company will make pro rata payments to each Purchaser in the amount equal to 1.0% of the aggregate amount invested by each Purchaser for the Shares and Warrants then held by such Purchaser upon such date of failure and the same amount monthly thereafter until the registration statement is declared effective.

The foregoing descriptions of the Merger Agreement, the Securities Purchase Agreement, the Warrants and the Registration Rights Agreement are not complete and are qualified in their entirety by reference to the full text of the Merger Agreement, Securities Purchase Agreement, the Warrants and the Registration Rights Agreement, which are attached hereto as Exhibits 2.1, 10.1, 4.1, and 10.2, respectively, and are incorporated herein by reference.

The information contained in this Current Report on Form 8-K is not an offer to sell or the solicitation of an offer to buy shares of our Common Stock or any other securities of the Company.

Item 2.01 Completion of Acquisition or Disposition of Assets.

On March 27, 2024, the Company completed its acquisition of Almata. The information contained in Item 1.01 of this Current Report on Form 8-K is incorporated by reference into this Item 2.01.

Item 3.01 Material Modifications to Rights of Security Holders.

To the extent required by Item 3.01 of Form 8-K, the information set forth in Item 5.03 is incorporated herein by reference.

Item 3.02 Unregistered Sales of Equity Securities.

The information contained in Item 1.01 under the headers "Agreement and Plan of Merger and Reorganization" and "Securities Purchase Agreement" is incorporated herein by reference.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

As reported in Item 1.01 above, on March 27, 2024, Jonathan Goldman was appointed to the Board. Jonathan Goldman will serve as a director until the 2024 Annual Meeting of Stockholders or until his successor is duly elected and qualified.

In addition, in connection with the transactions described herein, the Company increased the size of the Board to nine members and appointed each of Aaron Kantoff and Samantha Truex, effective as of the closing of the Private Placement, estimated to be on March 28, 2024, with Mr. Kantoff being designated by the holder of Series D Preferred Stock. Except as set forth in the preceding sentence, there no arrangements or understandings between any of Jonathan Goldman, Aaron Kantoff or Samantha Truex and any other person pursuant to which they were selected as a director of the Company, and there is no family relationship between any of Jonathan Goldman, Aaron Kantoff or Samantha Truex and any of the Company's other directors or executive officers. Each of Jonathan Goldman, Aaron Kantoff and Samantha Truex will be eligible for Board compensation pursuant to the Company's Non-Employee Director Compensation Plan.

In connection with the appointment of Jonathan Goldman, Aaron Kantoff and Samantha Truex as directors, each of them will enter into the Company's standard form of indemnification agreement, a copy of which is filed as Exhibit 10.4 to the Company's Annual Report on Form 10-K for the year ended December 31, 2022.

There are no related party transactions between any of Jonathan Goldman, Aaron Kantoff or Samantha Truex and the Company, and the Board believes that each of Jonathan Goldman, Aaron Kantoff and Samantha Truex satisfies the independence requirements of Rule 5605(a)(2) of the Nasdaq Stock Market listing rules and Rule 10A-3 under the Securities Exchange Act of 1934, as amended.

Following the closing of the transactions described herein, the Company's Board shall consist of June Almenoff, Mitchell Chan, Gilla Kaplan, Aaron Kantoff, as the designee of the holder of Series D Preferred Stock, Jonathan Goldman, Garry Neil, Magnus Persson and Samantha Truex, with one vacancy for a director to be designated by the holder of Series E Preferred Stock.

Item 5.03 Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

On March 27, 2024, in connection with the Merger and the Private Placement, the Company filed Certificates of Designation to its Amended and Restated Certificate of Incorporation, as amended (the "Certificates of Designation"), with the Secretary of State of the State of Delaware for the purpose of designating the Series C non-voting convertible preferred stock, $0.001 par value per share ("Series C Preferred Stock"), Series D non-voting preferred stock, $0.001 par

value per share ("Series D Preferred Stock"), and Series E non-voting preferred stock, $0.001 par value per share ("Series E Preferred Stock").

Each share of Series C Preferred Stock is initially convertible into 1,000 shares of Common Stock, subject to adjustment as described below. The Series C Preferred Stock will convert automatically on the second trading day after the receipt of the Required Stockholder Approval in accordance with Nasdaq rules, subject to Beneficial Ownership Limitation described below. No fractional shares will be issued upon conversion; rather any fractional share will be rounded up to the next whole share.

In all cases, conversion of the Series C Preferred Stock will be subject to the Beneficial Ownership Limitation. The "Beneficial Ownership Limitation" prevents the conversion of any portion of a holder's Series C Preferred Stock if such conversion would cause the holder, together with its affiliates, to beneficially own more than 9.99% (or 4.99% in the case of certain Purchasers) of the outstanding shares of Common Stock after giving effect to the conversion.

Except as required by the Delaware General Corporation Law and the Certificates of Designation, the Series C Preferred Stock, Series D Preferred Stock and Series E Preferred Stock have no voting rights. The Series C Preferred Stock is entitled to receive dividends (on an as-if-converted-to-Common-Stock basis) equal to and in the same form as dividends (other than dividends in the form of Common Stock) actually paid on shares of the Common Stock when, as and if declared by the Board (other than dividends in the form of Common Stock). The Series D Preferred Stock and Series E Preferred Stock are not entitled to any dividends.

For as long as there are any shares of Series D Preferred Stock that remain outstanding, the holder of Series D Preferred Stock, acting exclusively and as a separate class, shall have the right, but not the obligation, to designate and appoint one individual to serve as a director on the Board.

For as long as there are any shares of Series E Preferred Stock that remain outstanding, the holder of Series E Preferred Stock, acting exclusively and as a separate class, shall have the right, but not the obligation, to designate and appoint one individual to serve as a director on the Board.

In the event of distributions of assets upon liquidation, dissolution or winding up of the Company, whether voluntarily or involuntarily, the holder of Series D Preferred Stock shall be entitled to receive an amount per share equal to $0.001 but shall not be entitled to any further payment or other participation in any distribution of the assets of the Company.

In the event of distributions of assets upon liquidation, dissolution or winding up of the Company, whether voluntarily or involuntarily, the holder of Series E Preferred Stock shall be entitled to receive an amount per share equal to $0.001 but shall not be entitled to any further payment or other participation in any distribution of the assets of the Company.

The Series C Preferred Stock ranks in parity with the Common Stock as to dividends, distributions of assets upon liquidation, dissolution or winding up of the Company, whether voluntarily or involuntarily.

The Series C Preferred Stock is subject to broad-based weighted average anti-dilution protection for certain issuances of Common Stock and securities convertible into Common Stock.

The foregoing description of the Series C Preferred Stock is qualified in its entirety by reference to the full text of the Series C Certificate of Designation, a copy of which is attached hereto as Exhibit 3.1 and is incorporated herein by reference.

The foregoing description of the Series D Preferred Stock is qualified in its entirety by reference to the full text of the Series D Certificate of Designation, a copy of which is attached hereto as Exhibit 3.2 and is incorporated herein by reference.

The foregoing description of the Series E Preferred Stock is qualified in its entirety by reference to the full text of the Series E Certificate of Designation, a copy of which is attached hereto as Exhibit 3.3 and is incorporated herein by reference.

Item 8.01 Other Information.

On March 27, 2024, the Company issued a press release to report the closing of the Merger, and the entry into the Securities Purchase Agreement, a copy of which is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

On March 27, 2024, the Company posted on its website an updated investor presentation (the "Investor Presentation"). The Investor Presentation will be used from time to time in meetings with investors. A copy of the Investor Presentation is attached hereto as Exhibit 99.2 and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(a) Financial statements of business acquired.

The financial statements required by this Item, with respect to the Merger described in Item 2.01 herein, are expected to be filed as soon as practicable, and in any event not later than 71 days after the date on which this Current Report on Form 8-K is required to be filed related to Item 2.01.

(b) Pro forma financial information.

The pro forma financial information required by this Item, with respect to the Merger described in Item 2.01 herein, are expected to be filed as soon as practicable, and in any event not later than 71 days after the date on which this Current Report on Form 8-K is required to be filed related to Item 2.01.

Forward Looking Statements.

Any statements in this Current Report about the future expectations, plans and prospects of the Company, including without limitation, statements regarding: the Merger, stockholder approval of the conversion of the Series C Preferred Stock and exercise of the Warrant, the filing of a resale registration statement pursuant to the Registration Rights Agreement, if any, and the timing thereof, the closing and timing of the Private Placement and other statements containing the words "anticipate," "believe," "continue," "could," "estimate," "expect," "hypothesize," "intend," "may," "plan," "potential," "predict," "project," "should," "target," "would," and similar expressions, constitute forward-looking statements within the meaning of The Private Securities Litigation Reform Act of 1995. Actual results may differ materially from those indicated by such forward-looking statements as a result of various important factors, including, but not limited to those set forth under the caption "Risk Factors" in the Company's most recent Annual Report on Form 10-K filed with the SEC, as supplemented by its subsequent Quarterly Reports on Form 10-Q and in other filings that makes with the SEC. In addition, any forward-looking statements included in this Current Report represent the Company's views only as of the date hereof and should not be relied upon as representing its views as of any subsequent date. The Company specifically disclaims any intention to update any forward-looking statements included in this Current Report.

No Offer or Solicitation; Important Information About the Merger and Where to Find It.

This Current Report on Form 8-K is not a proxy statement or solicitation of a proxy, consent or authorization with respect to any securities or in respect of the Merger and shall not constitute an offer to sell or a solicitation of an offer to buy the securities of the Company, nor shall there be any sale of any such securities in any state or jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of such state or jurisdiction. No offer of securities shall be made, except by means of a prospectus meeting the requirements of Section 10 of the Securities Act or an exemption therefrom.

The Company expects to file a proxy statement with the SEC relating to the Required Stockholder Approvals. The definitive proxy statement will be sent to all Company stockholders. Before making any voting decision, investors and security holders of the Company are urged to read the proxy statement and all other relevant documents filed or that will be filed with the SEC in connection with the Meeting Proposals as they become available because they will contain important information about the Merger Agreement and related transactions and the Meeting Proposals to be voted upon. Investors and security holders will be able to obtain free copies of the proxy statement and all other relevant documents filed or that will be filed with the SEC by the Company through the website maintained by the SEC at www.sec.gov.

Participants in Solicitation.

The Company and its directors, executive officers and employees may be deemed to be participants in the solicitation of proxies in respect of the Required Stockholder Approvals. Information regarding the Company's directors and executive officers is available in the Company's Annual Report on Form 10-K for the year ended December 31, 2022 filed with the SEC on March 29, 2023. Information regarding the persons who may, under the rules of the SEC, be deemed participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, will be contained in the proxy statement and other relevant materials to be filed with the SEC when they become available.

(d) Exhibits:

Exhibit No.	Description
2.1*	Agreement and Plan of Merger and Reorganization, dated March 27, 2024, by and among Avalo Therapeutics, Inc., Project Athens Merger Sub, Inc., Second Project Athens Merger Sub, LLC, and AlmataBio, Inc.
3.1	Certificate of Designation for Avalo Therapeutics, Inc.'s Series C Preferred Stock filed with the Secretary of State of Delaware on March 27, 2024.
3.2	Certificate of Designation for Avalo Therapeutics, Inc.'s Series D Preferred Stock filed with the Secretary of State of Delaware on March 27, 2024.
3.3	Certificate of Designation for Avalo Therapeutics, Inc.'s Series E Preferred Stock filed with the Secretary of State of Delaware on March 27, 2024.
4.1*	Form of Warrant.
10.1*	Securities Purchase Agreement, dated March 27, 2024, by and among Avalo Therapeutics, Inc. and the investors signatory thereto.
10.2	Registration Rights Agreement, dated March 27, 2024, by and among Avalo Therapeutics, Inc. and the investors signatory thereto.
99.1	Press release, dated March 27, 2024.
99.2	Investor Presentation.
104	The cover pages of this Current Report on Form 8-K, formatted in Inline XBRL.

* Certain exhibits and schedules to this exhibit have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company hereby undertakes to furnish supplemental copies of any of the omitted exhibits or schedules upon request by the U.S. Securities and Exchange Commission.

SIGNATURE

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

AVALO THERAPEUTICS, INC.

Date: March 28, 2024

By: /s/ Christopher Sullivan
Christopher Sullivan
Chief Financial Officer

Exhibit 2.1

AGREEMENT AND PLAN OF MERGER AND REORGANIZATION

by and among

AVALO THERAPEUTICS INC.,

PROJECT ATHENS MERGER SUB, INC.,

SECOND PROJECT ATHENS MERGER SUB, LLC,

ALMATABIO, INC.,

and

THE SECURITYHOLDERS' REPRESENTATIVE IDENTIFIED HEREIN

Dated as of March 27, 2024

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EXHIBITS

Annex I Definition of “Product”

AGREEMENT AND PLAN OF MERGER AND REORGANIZATION

This Agreement and Plan of Merger and Reorganization (this "***Agreement***"), is entered into as of March 27, 2024, by and among Avalo Therapeutics, Inc., a Delaware corporation ("***Parent***"), Project Athens Merger Sub, Inc., a Delaware corporation and a wholly owned Subsidiary of Parent ("***Merger Sub***"), Second Project Athens Merger Sub, LLC., a Delaware limited liability company and a wholly owned Subsidiary of Parent ("***Second Merger Sub***"), AlmataBio, Inc., a Delaware corporation (the "***Company***"), and Patrick Crutcher, (the "***Securityholders' Representative***") solely in his capacity as the representative agent and attorney-in-fact of the holders of securities in the Company (the "***Securityholders***", and each of them, a "***Securityholder***"). Terms with initial capitalized letters used herein (including in the immediately preceding sentence) and not otherwise defined herein have the meanings set forth in Section 8.01 hereof.

RECITALS

A. The Company, Parent and Merger Sub intend to effect a merger of Merger Sub with and into the Company pursuant to which the Company would become a wholly owned Subsidiary of Parent (the "***First Merger***") in accordance with this Agreement and the Delaware General Corporation Law (the "***DGCL***"), and as part of the same overall transaction, the Company would then merge with and into Second Merger Sub (the "***Second Merger***" and, together with the First Merger, the "***Mergers***"), on the terms and conditions set forth in this Agreement and in accordance with the DGCL and the Delaware Limited Liability Company Act, as amended (the "***DLLC***").

B. In the Mergers, upon the terms and subject to the conditions of this Agreement, each share of common stock, par value $0.0001 per share, of the Company (the "***Company Common Stock***") and each share of preferred stock, par value $0.0001 per share, of the Company (the "***Company Preferred Stock***") will be converted into the right to receive the Merger Consideration except as otherwise provided in this Agreement.

C. The board of directors of the Company (the "***Company Board***") has unanimously: (a) determined that this Agreement and the transactions contemplated hereby, including the Mergers, upon the terms and subject to the conditions set forth herein, are fair to, and in the best interests of, the Company and the Company's stockholders; (b) approved and declared advisable this Agreement, including the execution, delivery, and performance thereof, and the consummation of the transactions contemplated by this Agreement, including the Mergers, upon the terms and subject to the conditions set forth herein; (c) directed that this Agreement be submitted to a vote of the Company's stockholders for adoption; and (d) resolved to recommend that Company stockholders vote in favor of adoption of this Agreement in accordance with the DGCL.

D. The respective boards of directors of Parent and Merger Sub and the manager of Second Merger Sub have each unanimously: (a) determined that it is in the best interests of Parent, Merger Sub or Second Merger Sub, as applicable, and their respective stockholders and members, and declared it advisable, to enter into this Agreement; and (b) approved the execution, delivery, and performance of this Agreement and the consummation of the transactions contemplated hereby, including the Mergers; in each case, in accordance with the DGCL and the DLLC.

E. It is intended, to the extent the Mergers are eligible for such treatment, that for United States federal income tax purposes (i) the Mergers will qualify as a "reorganization" within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the "***Code***"), (ii) this Agreement will constitute a plan of reorganization within the meaning of Treasury Regulations Sections 1.368-2(g) and 1.368-3 and (iii) Parent, Merger Sub, Second Merger Sub, and the Company will each be a "party to the reorganization" under Section 368(b) of the Code.

F. Immediately following the execution and delivery of this Agreement, but prior to the filing of the Certificate of Merger, Parent will file the Preferred Stock Certificate of Designation in the form attached hereto as Exhibit A (the "***Certificate of Designation***") with the office of the Secretary of the State of the State of Delaware.

G. The parties desire to make certain representations, warranties, covenants, and agreements in connection with the Mergers and the other transactions contemplated by this Agreement and also to prescribe certain terms and conditions to the Mergers.

THEREFORE, in consideration of the foregoing recitals and of the representations, warranties, covenants, and agreements contained in this Agreement, the parties, intending to be legally bound, agree as follows:

ARTICLE I
THE MERGERS

Section 1.01 Certificate of Designation. As promptly as practicable following the execution and delivery of this Agreement and in any event prior to the filing of the Certificate of Merger (as defined below), Parent will file the Certificate of Designation with the office of the Secretary of the State of the State of Delaware.

Section 1.02 The Mergers. Upon the terms and subject to the conditions set forth in this Agreement and in accordance with the DGCL, at the Effective Time, Merger Sub will be merged with and into the Company, the separate corporate existence of Merger Sub will thereupon cease, and the Company will continue as the surviving company and a wholly owned Subsidiary of Parent. The Company after the First Merger is sometimes referred to herein as the "***First-Step Surviving Company***". At the Second Effective Time, the First-Step Surviving Company shall merge with and into Second Merger Sub in accordance with the DGCL and the DLLC, whereupon the separate corporate existence of the First-Step Surviving Company shall cease, and Second Merger Sub shall be the surviving company, shall be disregarded as an entity separate from Parent for U.S. federal income Tax purposes, and shall continue to be governed by the laws of the State of Delaware and the DLLC. The surviving company after the Second Merger is sometimes referred to hereinafter as the "***Surviving Company***."

Section 1.03 Closing. Upon the terms and subject to the conditions set forth herein, the closing of the Mergers (the "***Closing***") will take place as soon as practicable (and, in any event, within two (2) Business Days) after the satisfaction or, to the extent permitted hereunder, waiver of all conditions to the Mergers set forth in ARTICLE VI (other than those conditions that by their nature are to be satisfied at the Closing, but subject to the satisfaction or, to the extent permitted hereunder, waiver of all such conditions), unless this Agreement has been terminated pursuant to its terms or unless another time or date is agreed to in writing by the parties hereto. The Closing shall be conducted by electronic exchange of signatures unless another place is agreed to in writing by the parties hereto. The actual date of the Closing is hereinafter referred to as the "***Closing Date***."

Section 1.04 Effective Time.

(a) Subject to the provisions of this Agreement, at the Closing, the Company, Parent, and Merger Sub shall cause a certificate of merger (the "***Certificate of Merger***") to be executed, acknowledged, and filed with the Secretary of State of the State of Delaware in accordance with the relevant provisions of the DGCL and shall make all other filings or recordings required under the DGCL. The First Merger will become effective at such time as the Certificate of Merger has been duly filed with the Secretary of State of the State of Delaware or at such later date or time as may be agreed by the Company and Parent in writing and specified in the Certificate of Merger in accordance with the DGCL (the effective time of the First Merger being hereinafter referred to as the "***Effective Time***").

(b) Promptly after the Effective Time, Parent shall cause the Second Merger to be consummated by filing a certificate of merger (the "***Second Certificate of Merger***") with the Secretary of State of the State of Delaware, in accordance with the applicable provisions of the DGCL and the DLLC (the time of the filing of such certificate of merger with respect to the Second Merger, or the time of effectiveness thereof that is specified therein, if different, shall be referred to herein as the "***Second Effective Time***").

Section 1.05 Effects of the Mergers.

(a) First Merger. The First Merger shall have the effects set forth in this Agreement and in the applicable provisions of the DGCL. Without limiting the generality of the foregoing, and subject thereto, from and after the Effective Time, all property, rights, privileges, immunities, powers, franchises, licenses, and authority of the Company and Merger Sub shall vest in the First-Step Surviving Company, and all debts, liabilities, obligations, restrictions, and duties of each of the Company and Merger Sub shall become the debts, liabilities, obligations, restrictions, and duties of the First-Step Surviving Company.

(b) Second Merger. The Second Merger shall have the effects set forth in this Agreement and in the applicable provisions of the DGCL and the DLLC. Without limiting the generality of the foregoing, and subject thereto, from and after the Second Effective Time, all property, rights, privileges, immunities, powers, franchises, licenses, and authority of the First-Step Surviving Company and Second Merger Sub shall vest in the Surviving Company, and all debts, liabilities, obligations, restrictions, and duties of each of the First-Step Surviving Company and Second Merger Sub shall become the debts, liabilities, obligations, restrictions, and duties of the Surviving Company.

Section 1.06 Charter Documents of First-Step Surviving Company and Surviving Company.

(a) **First-Step Surviving Company**.

(i) Certificate of Incorporation. Subject Section 5.09, at the Effective Time, the certificate of incorporation of the First-Step Surviving Company shall be amended and restated so as to be identical to the certificate of incorporation of Merger Sub as in effect immediately prior to the Effective Time, until thereafter amended as provided therein or by applicable Law.

(ii) Bylaws. Subject to Section 5.09, at the Effective Time, the bylaws of the First-Step Surviving Company shall be amended and restated so as to be identical to the bylaws of Merger Sub as in effect immediately prior to the Effective Time, and will be the bylaws of the First-Step Surviving Company until thereafter amended as provided in its Charter Documents and applicable Law.

(b) **Surviving Company**.

(i) Certificate of Formation. The certificate of formation of Second Merger Sub, as in effect immediately prior to the Second Effective Time, shall be the certificate of formation of the Surviving Company at the Second Effective Time, until thereafter amended in accordance with the DLLC and as provided in such certificate of formation, except that at the Second Effective Time, the certificate of formation of the Surviving Company shall be amended to change the name of the Surviving Company to "AlmataBio, LLC."

(ii) Limited Liability Company Agreement. The limited liability company agreement of Second Merger Sub, as in effect immediately prior to the Second Effective Time, shall be the limited liability company agreement of the Surviving Company at the Second Effective Time, until thereafter amended in accordance with the DLLC and as provided in such limited liability company agreement.

Section 1.07 Management of First-Step Surviving Company and Surviving Company.

(a) First-Step Surviving Company. The directors and officers of Merger Sub, in each case, immediately prior to the Effective Time shall be the directors and officers, respectively, of the First-Step Surviving Company from and after the Effective Time until their successors have been duly elected or appointed and qualified or until their earlier death, resignation, or removal in accordance with the certificate of incorporation and by-laws of the First-Step Surviving Company.

(b) Surviving Company.

(i) Manager. Parent shall be the manager (as defined in the limited liability company agreement of the Surviving Company) of the Surviving Company.

(ii) Officers. The officers of Second Merger Sub immediately prior to the Second Effective Time shall be the officers of the Surviving Company immediately after the Second Effective Time, each to hold office in accordance with the provisions of the limited liability company agreement of the Surviving Company.

Section 1.08 Further Assurances. If at any time after the Effective Time any further action is necessary or desirable to carry out the purposes of this Agreement and to vest the Surviving Company with full right, title and possession to all assets, property, rights, privileges and powers of the Company, Merger Sub and Second Merger Sub, the Surviving Company and the officers of the Surviving Company shall take all such lawful and necessary action, consistent with this Agreement, on behalf of the Company, Merger Sub, Second Merger Sub and the Surviving Company.

ARTICLE II
EFFECT OF THE MERGERS ON CAPITAL STOCK; CONSIDERATION FOR SHARES

Section 2.01 Effect on Capital Stock. At the Effective Time, as a result of the Mergers and without any action on the part of Parent, Merger Sub, Second Merger Sub, or the Company or the holder of any capital stock of Parent, Merger Sub, Second Merger Sub, or the Company:

(a) Cancellation of Certain Company Capital Stock. Each share of Company Capital Stock that is owned by Parent or the Company (as treasury stock or otherwise) or any of their respective direct or indirect wholly owned Subsidiaries as of immediately prior to the Effective Time ("***Cancelled Shares***") will automatically be cancelled and retired and shall cease to exist, and no consideration shall be delivered in exchange therefor.

(b) Conversion of Company Common Stock. Each share of Company Common Stock issued and outstanding immediately prior to the Effective Time (other than Cancelled Shares, Dissenting Shares and Company Restricted Stock), shall be converted into the right to receive the Per Share Parent Stock Consideration and any portion of the Contingent Consideration that may be payable in respect of such share of Company Common Stock, each at the respective times and subject to the contingencies specified in Section 2.08. Each share of Company Restricted Stock shall be treated in accordance with Section 2.01(c).

(c) Conversion of Company Restricted Stock. Without any action on the part of the holder thereof, each share of Company Restricted Stock that is outstanding immediately prior to the Effective Time, shall be accelerated and converted into the right to receive, for each share of Company Restricted Stock, without interest and subject to deduction for any required withholding under applicable Tax Law the Per Share Parent Stock Consideration and any portion of the Contingent Consideration that may be payable in respect of such share of Company Restricted Stock, each at the respective times and subject to the contingencies specified in Section 2.08.

(d) Conversion of Company Preferred Stock. Each share of Company Preferred Stock issued and outstanding immediately prior to the Effective Time, on an as converted to Company Common Stock basis (at the applicable ratio described in Section 3.1.1 of the Company's Amended and Restated Certificate of Incorporation), shall be converted into the right to receive the Per Share Parent Stock Consideration and any portion of the Contingent Consideration that may be payable in respect of such share of Company Preferred Stock on an as converted to Company Common Stock basis (at the applicable ratio described in Section 3.1.1 of the Company's Amended and Restated Certificate of Incorporation), each at the respective times and subject to the contingencies specified in Section 2.08.

(e) Common Stock Limit. Anything in this Agreement to the contrary notwithstanding, the aggregate number of shares of Parent Common Stock issuable at the Closing will not exceed the Common Stock Limit. In the event the aggregate number of shares of Parent Common Stock that would be issuable to the Company's equityholders pursuant to this Agreement would result in the issuance or reservation of shares of Parent Common Stock in excess of the Common Stock Limit (but for the application of this Section 2.01(e)), subject to Section 2.01(i), each of the Stock Ratio and the Exchange Ratio shall be equitably adjusted to the minimum extent necessary to avoid such result.

(f) Cancellation of Shares. At the Effective Time, all shares of Company Capital Stock shall no longer be outstanding, shall be cancelled and retired and shall cease to exist, and, subject to Section 2.03, each holder of: (i) a certificate formerly representing any shares of Company Capital Stock (each, a "***Certificate***"); or (ii) any book-entry shares that immediately prior to the Effective Time represented shares of Company Capital Stock (each, a "***Book-Entry Share***") shall, subject to applicable Law in the case of Dissenting Shares, cease to have any rights with respect thereto, except the right to receive the Merger Consideration in accordance with ARTICLE II hereof.

(g) Conversion of Merger Sub Capital Stock. Each share of common stock, par value $0.0001 per share, of Merger Sub issued and outstanding immediately prior to the Effective Time shall be converted into and become one newly issued, fully paid, and non-assessable share of common stock, par value $0.0001 per share, of the First-Step Surviving Company.

(h) Equity Interests of Second Merger Sub. All shares of capital stock of the First-Step Surviving Company issued and outstanding immediately prior to the Second Effective Time will be converted into and become all of the equity interests of Second Merger Sub and collectively will constitute the only outstanding equity interests of the Surviving Company, and each stock certificate of First-Step Surviving Company (if any) evidencing ownership of any such shares will evidence ownership of such equity interests of the Surviving Company.

(i) Fractional Shares. No fractional shares of Parent Preferred Stock or Parent Common Stock shall be issued upon the surrender for exchange of Certificates or Book-Entry Shares, and the former holders of such Certificates or Book-Entry Shares shall not be entitled to any voting rights, rights to receive any dividends or distributions or other rights as a holder of Parent Preferred Stock or Parent Common Stock with respect to any such fractional shares that would have otherwise been issued upon the surrender for exchange of such Certificates or Book-Entry Shares. Instead, each Securityholder's aggregate holdings of Parent Common Stock and Parent Preferred Stock to be issued in the Mergers will be rounded down to the nearest whole share.

(j) Adjustments to Per Share Parent Stock Consideration, Exchange Ratio, and Conversion Ratio As of the date of this Agreement, each of the Exchange Ratio and Conversion Ratio assumes that

each share of Parent Preferred Stock is convertible into one thousand shares of Parent Common Stock. The Per Share Parent Stock Consideration, the Exchange Ratio, the Conversion Ratio, and any other applicable numbers or amounts shall be adjusted to reflect appropriately the effect of any stock split, reverse stock split, stock dividend (including any dividend or distribution of securities convertible into Company capital stock or Parent capital stock), reorganization, recapitalization, reclassification or any other change with respect to Company capital stock or Parent capital stock, as applicable, occurring or having a record date on or after the date hereof and prior to the Effective Time. The immediately preceding sentence does not permit the Company or Parent to take any action with respect to its securities that is prohibited by the terms of this Agreement.

Section 2.02 Surrender and Payment.

(a) Exchange Agent; Payment Fund. Prior to the Effective Time, Parent shall appoint an exchange agent (the "***Exchange Agent***") to act as the agent for the purpose of exchanging the Stock Consideration for: (i) the Certificates; and (ii) the Book-Entry Shares. At the Effective Time, Parent shall deposit, or cause the Surviving Company to deposit, with the Exchange Agent: evidence of book entry shares representing the number of shares of Parent Capital Stock equal to the Stock Consideration (such shares of Parent Capital Stock, together with any dividends or distributions with respect thereto with a record date after the Effective Time being hereinafter referred to as the "***Payment Fund***"). The Exchange Agent shall, in accordance with Section 2.02(b) and pursuant to irrevocable instructions, deliver the Stock Consideration. The Payment Fund shall not be used for any other purpose. The Surviving Company shall pay all of its charges and expenses, including those of the Exchange Agent, in connection with the exchange of shares of Company Capital Stock for the Stock Consideration. Prior to or as soon as practicable after the Effective Time, Parent shall send, or shall cause the Exchange Agent to send, to each record holder of shares of Company Capital Stock immediately prior to the Effective Time, whose Company Capital Stock was converted pursuant to Section 2.01(a) into the right to receive the Stock Consideration, a letter of transmittal and instructions (which shall specify that the delivery shall be effected, and risk of loss and title shall pass, only upon proper delivery of the Certificates or transfer of the Book-Entry Shares to the Exchange Agent, and which letter of transmittal shall be in customary form and have such other provisions as Parent and the Surviving Company may reasonably specify) for use in such exchange.

(b) Procedures for Surrender; No Interest. Each holder of shares of Company Capital Stock that have been converted into the right to receive the Merger Consideration shall be entitled to receive the Merger Consideration payable in respect of the Company Common Stock represented by a Certificate or Book-Entry Share upon: (i) surrender to the Exchange Agent of a Certificate, together with a duly completed and validly executed letter of transmittal and such other documents as may reasonably be requested by the Exchange Agent, in the case of Company Capital Stock represented by a Certificate; or (ii) receipt of an "agent's message" by the Exchange Agent (or such other evidence, if any, of transfer as the Exchange Agent may reasonably request) in the case of Book-Entry Shares. Until so surrendered or transferred, as the case may be, and subject to the terms set forth in Section 2.03, each such Certificate or Book-Entry Share, as applicable, shall represent as of and following the Effective Time, for all purposes, only the right to receive the Merger Consideration payable in respect thereof. No interest shall be paid or accrued on the cash payable upon the surrender or transfer of any Certificate or Book-Entry Share. Upon payment of the Stock Consideration in respect of each share of Company Capital Stock pursuant to the provisions of this ARTICLE II, each Certificate or Certificates or Book-Entry Share or Book-Entry Shares so surrendered or transferred, as the case may be, shall immediately be cancelled.

(c) Payments to Non-Registered Holders. If any portion of the Merger Consideration is to be paid to a Person other than the Person in whose name the surrendered Certificate or the transferred Book-Entry Share, as applicable, is registered, it shall be a condition to such payment that: (i) such Certificate shall be properly endorsed or shall otherwise be in proper form for transfer or such Book-Entry Share shall be properly transferred; and (ii) the Person requesting such payment shall pay to the Exchange Agent any transfer or other Tax required as a result of such payment to a Person other than the registered holder of such Certificate or Book-Entry Share, as applicable, or establish to the reasonable satisfaction of the Exchange Agent that such Tax has been paid or is not payable.

(d) Full Satisfaction. All Merger Consideration paid upon the surrender of Certificates or transfer of Book-Entry Shares in accordance with the terms hereof shall be deemed to have been paid in full satisfaction of all rights pertaining to the shares of Company Capital Stock formerly represented by such Certificate or Book-Entry Shares, and from and after the Effective Time, there shall be no further registration of transfers of shares of Company Capital Stock on the stock transfer books of the First-Step Surviving Company. If, after the Effective Time, Certificates or Book-Entry Shares are presented to the Surviving Company (other than a Certificate or a Book-Entry Share in respect of Dissenting Shares), they shall be cancelled and exchanged for the Merger Consideration provided for, and in accordance with the procedures set forth, in this ARTICLE II.

(e) Termination of Payment Fund. Any portion of the Payment Fund that remains unclaimed by the holders of shares of Company Common Stock one (1) year after the Effective Time shall be returned to Parent, upon demand, and any such holder who has not exchanged shares of Company Common Stock for the Merger Consideration in accordance with this Section 2.02 prior to such time shall thereafter look only to Parent (subject to abandoned property, escheat or other similar Laws) for delivery of the Merger Consideration, without interest and subject to any withholding of Taxes required by applicable Law, in respect of such holder's surrender of their Certificates or Book-Entry Shares and compliance with the procedures in Section 2.02(b). Any Merger Consideration remaining unclaimed by the holders of Certificates or Book-Entry Shares immediately prior to such time as such amounts would otherwise escheat to, or become property of, any Governmental Entity will, to the extent permitted by applicable Law, become the property of Parent or an affiliate thereof designated by Parent, free and clear of any claim or interest of any Person previously entitled thereto. Notwithstanding the foregoing, none of Parent, Merger Sub, Second Merger Sub, the Surviving Company, the Exchange Agent, or their respective affiliates will be liable to any holder of a Certificate or Book-Entry Shares for Merger Consideration delivered to a public official pursuant to any applicable abandoned property, escheat, or similar Law. Any portion of the Merger Consideration made available to the Exchange Agent pursuant to Section 2.02(a), to pay for Company Capital Stock for which appraisal rights have been perfected shall be returned to Parent, upon demand.

(f) Dissenting Shares Merger Consideration. Any portion of the Merger Consideration made available to the Exchange Agent in respect of any Dissenting Shares shall be returned to Parent, upon demand.

(g) Dividend and Distribution with Respect to Parent Capital Stock After the Effective Time. No dividends or other distributions with respect to shares of Parent Capital Stock with a record date after the Effective Time shall be paid to the holder of any unsurrendered Certificate with respect to the shares of Parent Capital Stock represented thereby, and all such dividends and other distributions shall be paid by the Parent to the Exchange Agent and shall be included in the Payment Fund, in each case until the surrender of such Certificate in accordance with this Article II. Subject to the effect of applicable escheat or similar laws, following surrender of any such Certificate there shall be paid to the holder of the certificate representing whole shares of Parent Capital Stock issued in exchange therefor (with any fractional shares of Parent Capital Stock rounded down to the nearest whole share), without interest, (i) at the time of such surrender, the amount of dividends or other distributions with a record date after the Effective Time theretofore paid with respect to such whole shares of Parent Capital Stock, and (ii) at the appropriate payment date, the amount of dividends or other distributions with a record date after the Effective Time but prior to such surrender and with a payment date subsequent to such surrender payable with respect to such whole shares of Parent Capital Stock.

Section 2.03 Dissenting Shares.

(a) Notwithstanding any provision of this Agreement to the contrary, including Section 2.01, shares of Company Common Stock issued and outstanding immediately prior to the Effective Time (other than shares cancelled and retired in accordance with Section 2.01) and held by a holder who has not voted in favor of adoption of this Agreement or consented thereto in writing, and who is entitled to demand and properly demands appraisal of such shares of Company Common Stock pursuant to, and who complies in all respects with, the provisions of Section 262 of the DGCL ("***Section 262***"), shall not be converted into or be exchangeable for a right to receive the Merger Consideration as specified in Section 2.01 (such shares of Company Common Stock being referred to collectively as the "***Dissenting Shares***"), unless and until such holder fails to perfect or withdraws or otherwise loses such holder's right to appraisal and payment under the DGCL. At the Effective Time, all Dissenting Shares shall no longer be outstanding, shall automatically be canceled and retired and shall cease to exist, and each holder of Dissenting Shares shall cease to have any rights with respect thereto, except the right to receive the fair value of such Dissenting Shares in accordance with the provisions of Section 262. Notwithstanding the foregoing, if any such holder fails to perfect or otherwise waives, withdraws or loses the right to appraisal under Section 262, or a court of competent jurisdiction determines that such holder is not entitled to the relief provided by Section 262, then the right of such holder to be paid the fair value of such holder's Dissenting Shares under Section 262 shall cease and such Dissenting Shares shall be deemed to have been converted at the Effective Time into, and shall have become, the right to receive the Merger Consideration upon compliance with the procedure outlined in Section 2.02.

(b) The Company shall give prompt written notice to Parent of any demands for appraisal of any shares of Company Common Stock and any withdrawals of such demands, and Parent shall have the right to participate in and direct all negotiations and proceedings with respect to such demands. The Company shall not voluntarily make any payment with respect to, or settle, or offer or agree to settle, except with the prior written consent of Parent, any such demand for payment.

Section 2.04 Withholding Rights. Each of the Exchange Agent, Parent, Merger Sub, Second Merger Sub, and the Surviving Company (each, a "***Withholding Agent***") shall be entitled to deduct and withhold from the Merger Consideration otherwise payable to any Person pursuant to this Agreement such amounts as may be required to be deducted and withheld with respect to the making of such payment under any Tax Laws; but if a Withholding Agent determines that any payment in connection with the transactions contemplated by this Agreement is subject to deduction or withholding under any applicable Tax law (other than with respect to deductions and withholdings attributable to compensatory payments), then such Withholding Agent shall (i) use commercially reasonable efforts to provide notice to such recipient after such determination and (ii) reasonably cooperate with such recipient prior to Closing to reduce or eliminate any such deduction or withholding. Such amounts, to the extent they are remitted to the appropriate Governmental Entity, shall be treated for all purposes of this Agreement as having been paid to the Person in respect of which the applicable Withholding Agent made such deduction and withholding.

Section 2.05 Lost Certificates. If any Certificate has been lost, stolen, or destroyed, upon the making of an affidavit of that fact by the Person claiming such Certificate to be lost, stolen, or destroyed and, if required by Parent or the Exchange Agent, the inclusion in such affidavit of the obligation of such Person to indemnify Parent against any claim suffered by Parent related to or in respect of or in connection with the lost, stolen or destroyed Certificate, the Exchange Agent shall issue, in exchange for such lost, stolen, or destroyed Certificate, the Merger Consideration to be paid in respect of the shares of Company Capital Stock formerly represented by such Certificate as contemplated under this ARTICLE II.

Section 2.06 Treatment of Warrants.

(a) Company Warrants. As of the Effective Time, each Company Warrant that is outstanding as of immediately prior to the Effective Time shall be cancelled and converted into the right to receive, in respect of each share of Company Common Stock underlying such Company Warrant, the Per Share Parent Stock Consideration (which, after being aggregated with the other Per Share Parent Stock Consideration the holder of such Company Warrant would be entitled to receive hereunder (if any), shall be rounded down to the nearest whole share, and no fractional shares of Per Share Parent Stock Consideration shall be issued upon the cancellation and conversion of such Company Warrant) (*provided however*, the Per Share Parent Stock Consideration shall be reduced by a number of shares equal to the applicable exercise price of each such Company Warrant based on the Closing Parent Share Value), and any portion of the Contingent Consideration that may be payable in respect of such share of Company Common Stock underlying such Company Warrant, each at the respective times and subject to the contingencies specified in Section 2.08. As a condition to receiving the consideration payable pursuant to this Section 2.06(a), each holder of a Company Warrant shall enter into a warrant cancellation agreement substantially in the form attached hereto as Exhibit B ("***Warrant Cancellation Agreement***").

(b) Resolutions and Other Company Actions. At or prior to the Effective Time, the Company, the Company Board shall adopt any resolutions and take any actions that may be necessary to effectuate the provisions of Section 2.06.

Section 2.07 Tax Treatment. The Mergers are intended to qualify as a "reorganization" within the meaning of Section 368(a)(1) of the Code, and this Agreement is intended to constitute a "plan of reorganization" within the meaning of Treasury Regulations Sections 1.368-2(g) and 1.368-3. Each of the parties hereto adopts this Agreement as a "plan of reorganization" within the meaning of Sections 1.368-2(g) and 1.368-3(a) of the Treasury Regulations. Each party hereto agrees to cause all income Tax Returns relating to the Mergers to be filed on the basis of treating the Mergers as a "reorganization" within the meaning of Section 368(a)(1) of the Code (including filing the statement required by Treasury Regulations Section 1.368-3), unless otherwise required by a "determination" (within the meaning of Section 1313(a) of the Code or similar or analogous provisions of other applicable state or other Laws) or pursuant to a good faith opinion from its professional tax advisers that such position is not more likely than not to be an appropriate treatment, and will not knowingly take any action, allow any action to be taken or fail to take any action, outside of the actions permitted under this Agreement, that could reasonably be expected to prevent or impede the Mergers from qualifying as a reorganization within the meaning of Section 368(a) of the Code.

Section 2.08 Contingent Consideration. Subject in all respects to terms of this Agreement, including ARTICLE II:

(a) Within two (2) Business Days after Parent receives the gross proceeds from the consummation of the transactions contemplated by the PIPE Financing, Parent shall pay to the Securityholders in cash an aggregate amount of $7,500,000 (the "***First Milestone Consideration***"). Parent shall pay each Securityholder by wire transfer of immediately available funds to the account of such Securityholder set forth in the

Payment Schedule, and the First Milestone Consideration shall be payable in accordance with the terms and conditions of this Agreement.

(b) Within fifteen (15) days after the Second Milestone Date, Parent shall notify Securityholders' Representative in writing that the Second Milestone Date has occurred (such notice, the "***Second Milestone Notice***"). Within fifteen (15) days after the delivery of the Second Milestone Notice, the Securityholders' Representative shall instruct Parent in writing to pay the Second Milestone Consideration either in cash or in Parent Capital Stock. Within five (5) days after receipt of the Securityholders' Representative's written instructions and subject to Section 2.08(f), Parent shall pay to the Securityholders the Second Milestone Consideration in accordance with such written instructions either in cash pursuant to Section 2.08(e), or by issuing Parent Capital Stock. If the Securityholders' Representative does not deliver written instructions to Parent within the fifteen (15)-day time period, then Parent, at its discretion but subject to Section 2.08(f), may elect to pay the Second Milestone Consideration either in cash pursuant to Section 2.08(e) or by issuing Parent Capital Stock. The price per share of any Parent Capital Stock issuable in respect of the Second Milestone Consideration will be calculated based on the volume weighted average price per share for the twenty (20) Trading Day period beginning on and including the first full Trading Day that is ten (10) Trading Days prior to the date on which Parent issues a press release announcing the Second Milestone.

(c) Within fifteen (15) days after the Third Milestone Date, Parent shall notify Securityholders' Representative in writing (such notice, the "***Third Milestone Notice***"). Within fifteen (15) days after the delivery of the Third Milestone Notice, the Securityholders' Representative shall instruct Parent in writing to pay the Third Milestone Consideration either in cash or in Parent Capital Stock. Within five (5) days after receipt of the Securityholders' Representative's written instructions and subject to Section 2.08(f), Parent shall pay to the Securityholders the Third Milestone Consideration either in cash pursuant to Section 2.08(e) or by issuing Parent Capital Stock. If the Securityholders' Representative does not deliver written instructions to Parent within the 15-day time period, then Parent, at its discretion but subject to Section 2.08(f), may elect to pay the Third Milestone Consideration either in cash pursuant to Section 2.08(e) or by issuing Parent Capital Stock. The price per share of any Parent Capital Stock issuable in respect of the Third Milestone Consideration will be calculated based on the volume weighted average price per share for the twenty (20) Trading Day period beginning on and including the first full Trading Day that is ten (10) Trading Days prior to the date on which Parent issues a press release announcing the Third Milestone.

(d) To the extent Parent is required to issue any Parent Capital Stock in respect of the Second Milestone Consideration or Third Milestone Consideration, such Parent Capital Stock will consist of Parent Preferred Stock, except as set forth in this Section 2.08(d). The aggregate number of shares of Parent Preferred Stock issuable in respect of the Second Milestone Consideration or Third Milestone Consideration will be calculated by dividing the dollar value of such aggregate payment by the applicable price per share of Parent Common Stock described in Section 2.08(b) or Section 2.08(c), divided by the Conversion Ratio. The foregoing Section 2.08(d) notwithstanding, to the extent the Parent Stockholder Approval has been obtained as of the date of the Second Milestone Notice or Third Milestone Notice, to the extent Parent is required to issue any Parent Capital Stock in respect of the Second Milestone Consideration or Third Milestone Consideration, such Parent Capital Stock will consist of Parent Common Stock, except as set forth in Section 2.08(h). Except to the extent Section 2.08(h) applies, the aggregate number of shares of Parent Common Stock issuable in respect of the Second Milestone Consideration or Third Milestone Consideration will be calculated by dividing the dollar value of such aggregate payment by the applicable price per share of Parent Common Stock described in Section 2.08(b) or Section 2.08(c).

(e) To the extent the Second Milestone Consideration or the Third Milestone Consideration, as applicable, is payable in cash, Securityholders' Representative will confirm in writing to Parent the wire transfer information of each Securityholder, and within ten (10) days of receipt of such confirmation, Parent will pay to Securityholders their respective portion of the Second Milestone Consideration or the Third Milestone Consideration, as applicable, by wire transfer of immediately available funds in accordance with the Payment Schedule.

(f) Notwithstanding anything in this Agreement to the contrary (including Section 2.08(c) or Section 2.08(d)), if at the time of the determination of the Second Milestone Consideration or Third Milestone Consideration, as applicable, the aggregate value of the Merger Consideration paid in shares of Parent Capital Stock (including for purposes of this calculation, for the avoidance of doubt, the Merger Consideration which would otherwise be paid as Second Milestone Consideration or Third Milestone Consideration, as applicable, if this Section 2.08(f) did not apply) is not at least 45% of the aggregate value of the total Merger Consideration payable to the Securityholders pursuant to this Agreement (the "***Reorg Threshold***"), then the portion of any Second Milestone Consideration or Third Milestone Consideration, as applicable, that would otherwise be comprised of cash shall be reduced on a pro rata basis (relative to all Securityholders) to the extent necessary to satisfy the Reorg Threshold, and the portion of any Second Milestone Consideration and Third Milestone Consideration, as

applicable, that would otherwise be comprised of Parent Capital Stock shall be increased by an aggregate amount equal to the amount by which the cash payments are so reduced. To the extent Section 2.08(h) imposes any Beneficial Ownership Limitation on the issuance of Parent Common Stock to any Securityholder, any additional Parent Capital Stock payable pursuant to this Section 2.08(f) shall be paid in Parent Preferred Stock. For U.S. federal income and other applicable Tax purposes, the parties hereto agree that: (i) if and to the extent any Contingent Consideration is paid to the Securityholders, then any interest which may be imputed on such payments, as required by Sections 483 or 1274 of the Code, shall be treated as paid out of the cash portion of such Contingent Consideration to the extent applicable Tax Laws permit, and (ii) the parties hereto will not take any position contrary to this Section 2.08(f) on any Tax Return or for other Tax purposes, except as may be required by applicable Tax Law.

(g) To the extent the Second Milestone Consideration or Third Milestone Consideration is payable in Parent Capital Stock, Parent will instruct its transfer agent to issue such Parent Capital Stock in book entry format to the account of the Securityholder.

(h) Notwithstanding anything herein to the contrary, at any time after the Parent Stockholder Approval has been obtained, Parent shall not issue any shares of Parent Common Stock to any Securityholder pursuant to this Section 2.08, to the extent that, after giving effect to an attempted or proposed issuance of any shares of Parent Common Stock to a Securityholder pursuant to Section 2.08(b) or Section 2.08(c), such Securityholder (together with any other Person whose beneficial ownership of Parent Common Stock would be aggregated with such Securityholder's for purposes of Section 13(d) or Section 16 of the Exchange Act and the applicable regulations of the SEC, including any "group" of which such Securityholder is a member) would beneficially own a number of shares of Parent Common Stock in excess of the Beneficial Ownership Limitation. For purposes of this Section 2.08(h), (i) beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act and the applicable regulations of the SEC, and (ii) "group" has the meaning set forth in Section 13(d) of the Exchange Act and the applicable regulations of the SEC. The "***Beneficial Ownership Limitation***" means 19.9% of the number of shares of the Parent Common Stock outstanding immediately after giving effect to the issuance of shares of Parent Common Stock pursuant to Section 2.08(b) or Section 2.08(c), as applicable.

(i) Any Contingent Consideration that becomes payable under this Agreement will be allocated among the Securityholders in accordance with their respective Ownership Percentages, as set forth on the Payment Schedule.

(j) If at any time prior to the payment in full of all Contingent Consideration, (i) Parent undergoes a Change of Control transaction, or (ii) Parent Divests to a third party or any Affiliate any Product and the Intellectual Property Rights associated with the Product or Intellectual Property Assets associated with the Product, the definitive agreement for such Change of Control or Divestiture shall provide for the acquirer or successor entity in such Change of Control or Divestiture to assume the payment obligations of Purchaser set forth in Section 2.08; *provided*, that in the case of clause (ii), either (A) Parent agrees to remain liable to the Securityholders for all outstanding obligations to pay any Contingent Consideration set forth in this Section 2.08 following any such Divestiture, or (B) such Third Party provides proof satisfactory to the Securityholders' Representative (acting reasonably) of such Third Party's financial capacity to assume Parent's payment obligations set forth in this Section 2.08 with respect thereto.

(k) Commercially Reasonable Efforts.

(i) Parent covenants and agrees that it shall use, itself or with or through its Affiliates (including the Surviving Company), Commercially Reasonable Efforts to achieve each of the Second Milestone and the Third Milestone.

(ii) Other than the Commercially Reasonable Efforts specifically set forth in Section 2.08(k)(i), neither the Parent nor any of its Affiliates, licensees, sublicensees, assignees, transferees, or other Person granted rights in or to the Product (including the Surviving Company) will have any other obligations with respect to the achievement of the Second Milestone or the Third Milestone, or to develop, market, or sell any Product. A good faith determination by any such Person described in the immediately preceding sentence to discontinue or de-prioritize the development or commercialization of any Product, will not constitute a breach of, or be restricted in any way by, this Agreement if such discontinuation or de-prioritization is consistent with the requirements of Section 2.08(k)(i).

(l) The obligations of Parent, the Surviving Company, Second Merger Sub, and the Surviving Company under this Section 2.08 shall survive the consummation of the Mergers and shall not be

terminated or modified in such a manner as to adversely affect any Securityholder without the consent of the Securityholders' Representative.

(m) Each of the First Milestone Consideration, Second Milestone Consideration, and Third Milestone is payable only one time and only if the corresponding milestone event occurs. If either the Second Milestone Consideration or Third Milestone Consideration becomes payable, Parent is only obligated to make such payments in Parent Capital Stock to the extent Parent has a sufficient number of authorized shares available for issuance. If the number of authorized shares is insufficient to make such payment, Parent will use commercially reasonable efforts to amend its certificate of incorporation or the Certificate of Designation to increase the number of authorized shares so that Parent has a sufficient number of shares available for payment in full.

Section 2.09 Legend. Each certificate representing any shares of Parent Common Stock and the shares of Parent Preferred Stock issued pursuant to this Agreement will be endorsed with a legend, in addition to any other legends required by this Agreement or any other agreements to which the shares of Parent Common Stock and the shares of Parent Preferred Stock issued pursuant to this Agreement are subject, substantially as follows:

THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS. THESE SECURITIES HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO DISTRIBUTION OR RESALE, AND MAY NOT BE SOLD, MORTGAGED, PLEDGED, HYPOTHECATED OR OTHERWISE TRANSFERRED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT FOR SUCH SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND ANY APPLICABLE STATE SECURITIES LAWS, OR THE AVAILABILITY OF AN EXEMPTION FROM THE REGISTRATION PROVISIONS OF THE SECURITIES ACT OF 1933, AS AMENDED, AND APPLICABLE STATE SECURITIES LAWS.

THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO LOCK-UP RESTRICTIONS PURSUANT TO AN AGREEMENT AND PLAN OF MERGER AND REORGANIZATION.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF THE COMPANY

Except as set forth in the correspondingly numbered Section of the disclosure letter (the "***Company Disclosure Letter***"), dated as of the date of this Agreement and delivered by the Company to Parent concurrently with the execution of this Agreement, the Company hereby represents and warrants to Parent, Merger Sub, and Second Merger Sub as set forth in this ARTICLE III. Disclosure in any section of such Company Disclosure Letter shall be deemed to be disclosed with respect to any other section of this Agreement to the extent that it is readily apparent on the face of such disclosure that such disclosure is applicable to such other section notwithstanding the omission or a reference or cross reference thereto.

Section 3.01 Organization; Standing and Power; Charter Documents; Subsidiaries.

(a) Organization; Standing and Power. The Company and each of its Subsidiaries is a corporation, limited liability company, or other legal entity duly organized, validly existing, and in good standing under the Laws of its jurisdiction of organization, and has the requisite corporate, limited liability company, or other organizational, as applicable, power and authority to own, lease, or otherwise hold and operate its assets and to carry on its business. Each of the Company and its Subsidiaries is duly qualified or licensed to do business as a foreign corporation, limited liability company, or other legal entity and is in good standing in each jurisdiction where the character of the assets and properties owned, leased, held or operated by it or the nature of its business makes such qualification or license necessary, except where the failure to be so qualified or licensed or to be in good standing, would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on the Company.

(b) Charter Documents. The Company has delivered or made available to Parent a true and correct copy of the Charter Documents of the Company and each of its Subsidiaries. Neither the Company nor any of its Subsidiaries is in violation of any of the provisions of its Charter Documents.

(c) Subsidiaries. Except as set forth in Section 3.01(c) of the Company Disclosure Letter, the Company does not own or control, directly or indirectly, any interest in any corporation, partnership, limited liability partnership, limited liability company, association or other entity. All of the outstanding shares of capital stock of, or other equity or voting interests in, each Subsidiary of the Company have

been validly issued, were issued free of pre-emptive rights, are fully paid and non-assessable, and are free and clear of all Liens, including any restriction on the right to vote, sell, or otherwise dispose of such capital stock or other equity or voting interests. Except for the capital stock of, or other equity or voting interests in, its Subsidiaries, the Company does not own, directly or indirectly, any capital stock of, or other equity or voting interests in, any Person.

Section 3.02 Capitalization.

(a) A complete and accurate list, as of the date hereof, of the names of all record holders of each share of authorized and outstanding capital stock of the Company as of the date hereof is set forth in Section 3.02(a) of the Company Disclosure Letter. Each outstanding share of capital stock of the Company shown in Section 3.02(a) of the Company Disclosure Letter is duly authorized, validly issued, fully paid and nonassessable. None of the outstanding shares of Company Common Stock was issued in violation of any preemptive rights, rights of first refusal or other similar rights to subscribe for or purchase securities of the Company. As of the date hereof, 294,430 shares of Company Common Stock are shares of Company Restricted Stock.

(b) True, complete, and accurate copies of the Company Stock Plan and each written form of agreement (each, a "***Form Award Agreement***") covering or relating to an outstanding award granted under the Company Stock Plan have been made available to Parent, and there is no material deviation in the executed agreement for each such outstanding award from the terms in the applicable Form Award Agreement. No option to purchase Company Common Stock is outstanding as of the date hereof. All of the Company's options, warrants and other rights to purchase or exchange any securities for shares of the Company's capital stock have been duly authorized and validly issued and were issued in compliance with federal and state securities laws.

(c) Section 3.02(c) of the Company Disclosure Letter sets forth a complete and accurate list of the name of the record and beneficial holder of each outstanding Company Warrant, the number and class of Company capital stock that each Company Warrant has the right to purchase, and the exercise price of each Company Warrant.

(d) Except as set forth in Section 3.02(a) of the Company Disclosure Letter, as of the date hereof, there are no outstanding: (i) securities of the Company or any of its Subsidiaries convertible into or exchangeable for Company Voting Debt or shares of capital stock of the Company; (ii) options, warrants, or other agreements or commitments to acquire from the Company or any of its Subsidiaries, or obligations of the Company or any of its Subsidiaries to issue, any Company Voting Debt or shares of capital stock of (or securities convertible into or exchangeable for shares of capital stock of) the Company; or (iii) restricted shares, restricted stock units, stock appreciation rights, performance shares, profit participation rights, contingent value rights, "phantom" stock, or similar securities or rights that are derivative of, or provide economic benefits based, directly or indirectly, on the value or price of, any shares of capital stock of the Company, in each case that have been issued by the Company or its Subsidiaries (the items in clauses (i), (ii), and (iii), together with the capital stock of the Company, being referred to collectively as "***Company Securities***"), and there is no agreement or arrangement not yet fully performed that would result in the creation of any of the foregoing. All outstanding shares of Company Capital Stock, and all outstanding shares of capital stock, voting securities, or other ownership interests in any Subsidiary of the Company, have been issued or granted, as applicable, in compliance in all material respects with all applicable securities Laws.

(e) Voting Debt. No bonds, debentures, notes, or other indebtedness issued by the Company or any of its Subsidiaries: (i) having the right to vote on any matters on which stockholders or equityholders of the Company or any of its Subsidiaries may vote (or which is convertible into, or exchangeable for, securities having such right); or (ii) the value of which is directly based upon or derived from the capital stock, voting securities, or other ownership interests of the Company or any of its Subsidiaries, are issued or outstanding (collectively, "***Company Voting Debt***").

(f) Company Subsidiary Securities. As of the date hereof, there are no outstanding: (i) securities of the Company or any of its Subsidiaries convertible into or exchangeable for Company Voting Debt, capital stock, voting securities, or other ownership interests in any Subsidiary of the Company; (ii) options, warrants, or other agreements or commitments to acquire from the Company or any of its Subsidiaries, or obligations of the Company or any of its Subsidiaries to issue, any Company Voting Debt, capital stock, voting securities, or other ownership interests in (or securities convertible into or exchangeable for capital stock, voting securities, or other ownership interests in) any Subsidiary of the Company; or (iii) restricted shares, restricted stock units, stock appreciation rights, performance shares, profit participation rights, contingent value rights, "phantom" stock, or similar securities or rights that are derivative of, or provide economic benefits based, directly or indirectly, on the value or price of, any capital stock or voting securities of, or other ownership interests in, any Subsidiary of the Company, in each case that have been issued by a Subsidiary of the Company (the items in clauses (i), (ii), and (iii), together with the capital stock, voting securities, or other ownership interests of such Subsidiaries, being

referred to collectively as "***Company Subsidiary Securities***"), and there is no agreement or arrangement not yet fully performed that would result in the creation of any of the foregoing.

Section 3.03 Authority; Non-Contravention; Governmental Consents.

(a) Authority. The Company has all requisite corporate power and authority to enter into and to perform its obligations under this Agreement and, subject to, in the case of the consummation of the Merger, adoption of this Agreement by the affirmative vote or consent of (i) the holders of a majority of the outstanding shares of Company Common Stock and Company Preferred Stock, voting together as a single class on an as-converted basis and (ii) the holders of a majority of the outstanding shares of Company Preferred Stock (voting as a single class on an as-converted basis) (the "***Requisite Company Vote***"), to consummate the transactions contemplated by this Agreement. The execution and delivery of this Agreement by the Company and the consummation by the Company of the transactions contemplated hereby 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 authorize the execution and delivery of this Agreement or to consummate the Mergers and the other transactions contemplated hereby, subject only, in the case of consummation of the Merger, to the receipt of the Requisite Company Vote. The Requisite Company Vote is the only vote or consent of the holders of any class or series of the Company's capital stock necessary to approve and adopt this Agreement, approve the Mergers, and consummate the Mergers and the other transactions contemplated hereby. This Agreement has been duly executed and delivered by the Company and, assuming due execution and delivery by Parent, Merger Sub and Second Merger Sub, constitutes the legal, valid, and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, moratorium, and other similar Laws affecting creditors' rights generally and by general principles of equity.

(b) Non-Contravention. The execution, delivery, and performance of this Agreement by the Company, and the consummation by the Company of the transactions contemplated by this Agreement, including the Merger, do not and will not, subject to obtaining the Requisite Company Vote and filing the Certificate of Designation and Certificate of Merger with the office of the Secretary of the State of the State of Delaware: (i) contravene or conflict with, or result in any violation or breach of, the Charter Documents of the Company or any of its Subsidiaries; (ii) assuming that all Consents contemplated by Section 3.03(c) have been obtained or made, conflict with or violate any Law applicable to the Company, any of its Subsidiaries, or any of their respective properties or assets; (iii) result in any breach of or constitute a default (or an event that with notice or lapse of time or both would become a default) under, result in the Company's or any of its Subsidiaries' loss of any benefit or the imposition of any additional payment or other liability under, or alter the rights or obligations of any third party under, or give to any third party any rights of termination, amendment, acceleration, or cancellation, or require any Consent under, any Contract to which the Company or any of its Subsidiaries is a party or otherwise bound as of the date hereof, except as listed in Section 3.03(b) of the Company Disclosure Letter; or (iv) result in the creation of a Lien (other than Permitted Liens) on any of the properties or assets of the Company or any of its Subsidiaries.

(c) Governmental Consents. No consent, approval, order, or authorization of, or registration, declaration, or filing with, or notice to (any of the foregoing being a "***Consent***"), any supranational, national, state, municipal, local, or foreign government, any instrumentality, subdivision, court, administrative agency or commission, or other governmental authority, or any quasi-governmental or private body exercising any regulatory or other governmental or quasi-governmental authority (a "***Governmental Entity***") is required to be obtained or made by the Company in connection with the execution, delivery, and performance by the Company of this Agreement or the consummation by the Company of the Mergers and other transactions contemplated hereby, except for the filing of the Certificate of Merger in respect of the First Merger and the Certificate of Designation with the Secretary of State of the State of Delaware.

(d) Board Approval. The Company Board has unanimously: (i) determined that this Agreement and the transactions contemplated hereby, including the Mergers, upon the terms and subject to the conditions set forth herein, are fair to, and in the best interests of, the Company and the Company's stockholders; (ii) approved and declared advisable this Agreement, including the execution, delivery, and performance thereof, and the consummation of the transactions contemplated by this Agreement, including the Mergers, upon the terms and subject to the conditions set forth herein; (iii) directed that this Agreement be submitted to a vote of the Company's stockholders for adoption; and (iv) resolved to recommend that Company stockholders vote in favor of adoption of this Agreement in accordance with the DGCL (collectively, the "***Company Board Recommendation***").

Section 3.04 Financial Statements; Undisclosed Liabilities; Off-Balance Sheet Arrangements

(a) Financial Statements. Section 3.04(a) of the Company Disclosure Letter sets forth the unaudited balance sheets of the Company dated as of February 29, 2024 (the "***Company Balance Sheet***", and such date, the "***Balance Sheet Date***"). The Company Balance Sheet (i) has been prepared from, are in accordance with, and accurately reflect the books and records of the Company and its Subsidiaries, and (ii) fairly presents in all material respects the financial position of the Company and its Subsidiaries as of the Balance Sheet Date.

(b) Undisclosed Liabilities. Neither the Company nor any of its Subsidiaries has any material Liabilities, except that: (i) are reflected or reserved against in the Company Balance Sheet (including in the notes thereto); (ii) immaterial liabilities that were incurred since the date of the Company Balance Sheet in the ordinary course of business consistent with past practice; or (iii) are incurred in connection with the transactions contemplated by this Agreement.

(c) Off-Balance Sheet Arrangements. Neither the Company 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 or arrangement (including any Contract or arrangement relating to any transaction or relationship between or among the Company or any of its Subsidiaries, on the one hand, and any other Person, including any structured finance, special purpose, or limited purpose Person, on the other hand).

Section 3.05 Absence of Certain Changes or Events. Since the date of inception of the Company, except in connection with the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby, the business of the Company and each of its Subsidiaries has been conducted in the ordinary course of business consistent with past practice, there has not been any Material Adverse Effect with respect to the Company or any of its Subsidiaries, individually or collectively, and neither the Company nor any of its Subsidiaries has:

(a) (i) made, changed, or revoked any material election relating to Taxes; (ii) adopted or changed any annual accounting period or any method of accounting for Tax purposes; (iii) agreed to any audit assessment by any taxing authority; (iv) entered into any closing agreement related to Taxes, settlement of any material Tax claim or assessment, consented to any extension or waiver of the limitations period applicable to any Tax claim or assessment, or filed any amended income or other material Tax Return; or (v) entered into any Tax sharing or similar agreement or arrangement (other than commercial Contracts a primary purpose of which is unrelated to Taxes);

(b) amended or proposed to amend its Charter Documents;

(c) (i) split, combined, or reclassified any Company Securities or Company Subsidiary Securities, (ii) repurchased, redeemed, or otherwise acquired, or offered to repurchase, redeem, or otherwise acquire, any Company Securities or Company Subsidiary Securities, or (iii) declared, set aside, or paid any dividend or distribution (whether in cash, stock, property, or otherwise) in respect of, or entered into any Contract with respect to the voting of, any shares of its capital stock (other than dividends from its direct or indirect wholly owned Subsidiaries);

(d) (i) transferred, licensed, sold, leased, disposed of (whether by way of merger, consolidation, sale of stock or assets, or otherwise) or pledged, encumbered, or otherwise subject to any Lien (other than a Permitted Lien), any assets; or (ii) adopted or effected a plan of complete or partial liquidation, dissolution, restructuring, recapitalization, or other reorganization;

(e) repurchased, prepaid, or incurred any indebtedness for borrowed money or guaranteed any such indebtedness of another Person;

(f) instituted, settled, or compromised any Legal Action;

(g) entered into any material agreement, agreement in principle, letter of intent, memorandum of understanding, or similar Contract with respect to any joint venture, strategic partnership, co-development arrangement, or alliance;

(h) abandoned, allowed to lapse, sold, assigned, transferred, granted any security interest in or otherwise encumbered or disposed of any material Company IP, or granted any right or license to any material Company IP other than pursuant to non-exclusive licenses entered into in the ordinary course of business consistent with past practice;

(i) agreed or committed to do any of the foregoing.

Section 3.06 Taxes.

(a) Tax Returns and Payment of Taxes. The Company and each of its Subsidiaries have duly filed or caused to be filed (taking into account any valid extensions) all income and other material Tax Returns required to be filed by them. Such Tax Returns are true, complete, and correct in all material respects. Neither the Company nor any of its Subsidiaries is currently the beneficiary of any extension of time within which to file any Tax Return other than extensions of time to file Tax Returns obtained in the ordinary course of business consistent with past practice. All Taxes due and owing by the Company or any of its Subsidiaries (whether or not shown on any Tax Return) have been paid, or where payment is not yet due, the Company has made an adequate provision for such Taxes on the Company Balance Sheet. The Company Balance Sheet reflects an adequate reserve for all material Taxes payable by the Company and its Subsidiaries through the date of such financial statements. Neither the Company nor any of its Subsidiaries has incurred any material Liability for Taxes since the date of the Company Balance Sheet outside of the ordinary course of business or otherwise inconsistent with past practice. However, regardless of what may be reported on any such Tax Returns, the Company and each of its Subsidiaries make no representation regarding (i) any carryovers of net operating losses, Tax credits, or charitable contribution or other Tax benefits items that are available to it or have been reported by any such entity for any federal, state, or other Tax purposes, or (ii) any limitation on use of any net operating losses, Tax credits, or charitable contribution or other tax benefit carryovers that might apply either as of or after the Closing Date under Sections 382 or 383 of the Code or any other applicable limitations under any Tax Laws.

(b) Availability of Tax Returns. The Company has made available to Parent complete and accurate copies of all federal, state, local, and foreign income, franchise, and other material Tax Returns filed by or on behalf of the Company or its Subsidiaries for any Tax period since the Company's inception.

(c) Liens. There are no Liens other than Permitted Liens for material Taxes upon the assets of the Company or any of its Subsidiaries other than for Permitted Liens.

(d) Tax Deficiencies and Audits. No deficiency for any amount of Taxes that has been proposed, asserted, or assessed in writing by any taxing authority against the Company or any of its Subsidiaries remains unpaid. There are no waivers or extensions of any statute of limitations currently in effect with respect to Taxes of the Company or any of its Subsidiaries. There are no audits, suits, proceedings, investigations, claims, examinations, or other administrative or judicial proceedings ongoing or pending with respect to any Taxes of the Company or any of its Subsidiaries.

(e) Consolidated Groups, Transferee Liability, and Tax Agreements. Neither the Company nor any of its Subsidiaries: (i) has been a member of a group filing Tax Returns on a consolidated, combined, unitary, or similar basis other than one in which the Company is the common parent; (ii) has any material liability for Taxes of any Person (other than the Company or any of its Subsidiaries) under Treasury Regulations Section 1.1502-6 (or any comparable provision of local, state, or foreign Law), as a transferee or successor, by Contract, or otherwise; or (iii) is a party to, bound by or has any material liability under any Tax sharing, allocation, or indemnification agreement or arrangement (other than customary Tax indemnifications contained in credit or other commercial agreements a primary purpose of which agreements does not relate to Taxes).

(f) Post-Closing Tax Items. The Company and its Subsidiaries will not 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 day of the Effective Time as a result of any: (i) "closing agreement" as described in Section 7121 of the Code (or any corresponding or similar provision of state, local or foreign income Tax Law) executed on or prior to the day of the Effective Time; (ii) installment sale or open transaction disposition made on or prior to the Closing Date; (iii) prepaid amount received on or prior to the Closing Date; or (iv) any income under Section 965(a) of the Code, including as a result of any election under Section 965(h) of the Code with respect thereto; (v) prepaid amount received on or before the day of the Effective Time; or (vi) election under Section 108(i) of the Code.

(g) Section 355. Neither the Company nor any of its Subsidiaries has been a "distributing corporation" or a "controlled corporation" in connection with a distribution that was purported or intended to be described in Section 355 of the Code.

(h) Tax Accruals. The amount of the Company's and its Subsidiaries' liability for unpaid Taxes for all periods following the end of the recent period covered by the Company Balance Sheet will not, in the aggregate, exceed the amount of accruals for Taxes (excluding reserves for deferred Taxes) as adjusted for the

passage of time in accordance with the past custom and practice of the Company and its Subsidiaries (and which accruals will not exceed comparable amounts incurred in similar periods in prior years).

(i) Other Matters. As of the day of the Effective Time, the Company will not own any equity interest (i) in any entity, plan or arrangement that is treated for federal or any applicable state or local income Tax purposes as a partnership, (ii) in any "controlled foreign corporation" within the meaning of Section 957 of the Code, or (iii) in any "passive foreign investment corporation" within the meaning of Section 1297 of the Code.

(j) Reorganization. The Company has not taken any action nor does it know of any fact or circumstance that could reasonably be expected to prevent the Mergers from qualifying as a "reorganization" within the meaning of Section 368(a) of the Code.

(k) Real Property Holding Corporation. The Company is not, nor has it 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) of the Code.

(l) Section 83(b) Election. Except as set forth in Section 3.06(l) of the Company Disclosure Letter, the Company has received, from each employee or former employee of the Company who holds stock that is subject to a substantial risk of forfeiture as of the date here, if any, a copy of the election(s) made under Section 83(b) of the Code with respect to all such shares, and such elections were validly made and filed with the IRS in a timely fashion.

Section 3.07 Intellectual Property.

(a) Section 3.07(a) of the Company Disclosure Letter sets forth a true, correct and complete list of all (i) issued patents and pending patent applications, (ii) registered and applications for registration of trademarks and service marks, (iii) registered Internet domain names, and (iv) registered copyrights, in each case, included in the Company IP owned by the Company or any of its Subsidiaries and (v) any license or other agreement governing, or pursuant to which the Company or any of its Subsidiaries was licensed or granted any other Company Licensed IP (any such agreement, a "**Company License**").

(b) Company and its Subsidiaries own or possess the right to use (i) all patents and patent applications, (ii) all trademarks, trademark registrations, service marks, service mark registrations, Internet domain name registrations, copyrights, copyright registrations, licenses, trade secret rights (the items described in clauses (i) and (ii) collectively, "***Intellectual Property Rights***") and (iii) inventions, software, works of authorships, trade names, databases, formulae, know how, Internet domain names and other intellectual property (including trade secrets and other unpatented and/or unpatentable proprietary confidential information, systems, or procedures) (collectively, "***Intellectual Property Assets***", and together with the Intellectual Property Rights, the "***Company IP***") necessary to conduct their respective businesses as currently conducted, and as proposed to be conducted.

(c) The Company IP owned by the Company or any of its Subsidiaries is owned solely and exclusively by the Company or its Subsidiary, free and clear of any Liens other than Permitted Liens. To the Knowledge of the Company, the Company IP owned by the Company and the Company Licensed IP, is valid, enforceable, subsisting and in full force and effect. None of the Company IP owned by the Company or any Subsidiary thereof, and none of the Company Licensed IP, is or has been subject to any pending, concluded, or, to the Knowledge of the Company, threatened, Legal Action or other proceeding (including any interference, derivation, re-examination, opposition, cancellation reissue or other post-grant proceeding, but excluding customary office actions issued by an application examiner with the United States Patent and Trademark Office or its foreign equivalent in the ordinary course of business in connection with the prosecution of a pending application for a patent or a trademark registration) that challenges the validity, enforceability, use, right to use, scope, duration, effectiveness or ownership of any item of such Company IP.

(d) The Company and its Subsidiaries have not received any opinion from their legal counsel concluding, or any correspondence from any third party alleging, that any products or activities of their respective businesses infringe, misappropriate, or otherwise violate any Intellectual Property Rights of any other person, and have not received written notice of any challenge by any other person to the rights of the Company and its Subsidiaries with respect to any Intellectual Property Rights or Intellectual Property Assets owned, licensed, or used by the Company or its Subsidiaries. The operation of the Company's and its Subsidiaries' respective businesses do not infringe, misappropriate, or otherwise violate any valid and enforceable Intellectual Property Rights of any other person.

(e) Each Company License is valid, binding upon, and enforceable by or against the parties thereto in accordance with its terms. To the Knowledge of the Company, the Company and its Subsidiaries are not in breach nor have received any written asserted or threatened claim of breach of, any Company License, and there is no breach or anticipated breach by any other person of any Company License.

(f) The Company and its Subsidiaries have taken all reasonable steps to protect, maintain and safeguard their Intellectual Property Rights, including the execution of appropriate nondisclosure and confidentiality agreements. Except as disclosed in Section 3.07(f) of the Company Disclosure Letter, the consummation of the transactions contemplated by this Agreement will not result in the loss or impairment of, or payment of any additional amounts with respect to, or require the consent of any other person in respect of, the Company's or any of its Subsidiaries' right to own, use, or hold for use any of the Intellectual Property Rights as owned, used or held for use in the conduct of their businesses as currently conducted.

(g) Except as, individually or in the aggregate, has not had and would not reasonably be expected to have a Material Adverse Effect with respect to the Company, its Subsidiaries, or the business of any of the foregoing, to the knowledge of the Company and its Subsidiaries, (i) the Company has at all times complied with all applicable laws relating to privacy, data protection, and the collection and use of personal information collected, used, or held for use by the Company in the conduct of the Company's business, (ii) the Company's and each of its Subsidiaries' collection, storage, use and dissemination of personally identifiable information and any other data that could reasonably be used to identify any consumer, patient, employee or other person or any of their respective devices has, at all times complied with all applicable Law, privacy policies and terms of use and other contractual obligations relating to privacy, data protection or data security, (iii) no breach, security incident, or violation of any data security policy in relation to personally identifiable information or other data that could reasonably be used to identify any consumer, patient, employee or other person or any of their respective devices has occurred, or is or was threatened, and there has been no unauthorized or illegal processing of such data and (iv) the Company and each of its Subsidiaries maintain commercially reasonable security procedures to protect against loss, misuse, unauthorized access, disclosure, and destruction of personally identifiable information and other data pertaining to consumers, patients, employees or other persons. Neither the Company nor any of its Subsidiaries has received written, or to the Knowledge of the Company, any non-written, notice of any claims (including any investigation or notice from any Governmental Entity) that have been asserted or threatened against the Company or any of its Subsidiaries alleging, any violation of any Person's privacy or personally identifiable information or data rights or non-compliance with applicable Laws, privacy policies or terms of use or other contractual obligations relating to privacy, data protection or data security.

(h) The Company and its Subsidiaries have taken all reasonably necessary actions to obtain ownership of or a license to all works of Intellectual Property Rights made by its or their employees, consultants, and contractors during the time they were employed by or under contract with the Company and which relate to the Company's business (and all Intellectual Property Rights therein). All employees of the Company or any Subsidiary thereof have signed confidentiality and invention assignment agreements with the Company or a Subsidiary thereof and each consulting agreement by and between any consultant of the Company and the Company or any Subsidiary thereof contains customary confidentiality and present assignment provisions.

Section 3.08 Compliance with Laws; Permits.

(a) Compliance. The Company and each of its Subsidiaries are and, since April 28, 2023, have been in compliance in all material respects with, all Laws or Orders applicable to the Company or any of its Subsidiaries or by which the Company or any of its Subsidiaries or any of their respective businesses or properties is bound. No Governmental Entity has issued any written notice or notification stating that the Company or any of its Subsidiaries is not in compliance with any Law.

(b) Permits. The Company and its Subsidiaries hold, to the extent legally required to operate their respective businesses as such businesses are being operated as of the date hereof, all permits, licenses, registrations, variances, clearances, consents, commissions, franchises, exemptions, orders, authorizations, and approvals from Governmental Entities (collectively, "***Permits***"), except for any Permits for which the failure to obtain or hold would not reasonably be expected to have, individually or in the aggregate, a material and adverse impact on the Company. No suspension, cancellation, non-renewal, or adverse modifications of any Permits of the Company or any of its Subsidiaries is pending or, to the Knowledge of the Company, threatened, except for any such suspension or cancellation which would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect with respect to the Company. The Company and each of its Subsidiaries is and has at all times been in compliance with the terms of all Permits, except where the failure to be in such compliance would not reasonably be expected to have, individually or in the aggregate, a material and adverse impact on the Company.

Section 3.09 Litigation. As of the date hereof, there is no Legal Action pending, or to the Knowledge of the Company, threatened against the Company or any of its Subsidiaries or any of their respective properties or assets or, to the Knowledge of the Company, any officer or director of the Company or any of its Subsidiaries in their capacities as such, including any proceeding before the FDA or comparable federal, state, local or foreign governmental bodies (it being understood that the interaction between the Company and the FDA and such comparable governmental bodies relating to the clinical development and product approval process shall not be deemed proceedings for purposes of this representation). None of the Company or any of its Subsidiaries or any of their respective properties or assets is subject to any order, writ, assessment, decision, injunction, decree, ruling, or judgment ("***Order***") of a Governmental Entity or arbitrator, whether temporary, preliminary, or permanent, other than Orders of general applicability.

Section 3.10 Brokers' and Finders' Fees. Neither the Company nor any of its Subsidiaries has incurred, nor shall it incur, directly or indirectly, any liability for investment banker, brokerage, or finders' fees or agents' commissions, or any similar charges in connection with this Agreement or any transaction contemplated by this Agreement.

Section 3.11 Employee Matters.

(a) No Noncompliance. No "prohibited transaction" (as defined in Section 406 of ERISA, or Section 4975 of the Code and not otherwise exempt under Section 408 of ERISA and regulatory guidance thereunder) or "accumulated funding deficiency" (as defined in Section 302 of ERISA) or any of the events set forth in Section 4043(b) of ERISA (other than events with respect to which the thirty (30)-day notice requirement under Section 4043 of ERISA has been waived) has occurred or could reasonably be expected to occur with respect to any Company Employee Plan for the benefit of any current or former employee, independent contractor, consultant, or director of the Company or any of its Subsidiaries (each, a "***Company Employee***"). Each Company Employee Plan is in compliance in all material respects with applicable law, including ERISA and the Code. The Company and its Subsidiaries have not incurred and could not reasonably be expected to incur liability under Title IV of ERISA with respect to the termination of, or withdrawal from, any pension plan (as defined in Section 3(2) of ERISA). Each pension plan that is intended to be qualified under Section 401(a) of the Code is so qualified, and to the Company's Knowledge, nothing has occurred, whether by action or by failure to act, that could, singularly or in the aggregate, cause the loss of such qualification.

(b) Documents. Section 3.11(b) of the Company Disclosure Letter sets forth a true, complete and correct list of every material Company Employee Plan. The Company has made available to Parent correct and complete copies (or, if a plan or arrangement is not written, a written description) of all Company Employee Plans and amendments thereto in each case that are in effect as of the date hereof, and, to the extent applicable: (i) all related trust agreements, funding arrangements, insurance contracts, and service provider agreements now in effect or required in the future as a result of the transactions contemplated by this Agreement or otherwise; (ii) the most recent determination letter (or if applicable, advisory or opinion letter) received from the IRS regarding the Tax-qualified status of each Company Employee Plan; (iii) the most recent financial statements for each Company Employee Plan; (iv) the Form 5500 Annual Returns/Reports and Schedules for the most recent three plan years for each Company Employee Plan; (v) the current summary plan description for each Company Employee Plan; (vi) the most recent actuarial valuation reports and non-discrimination testing results for the three most recent plan years, related to any Company Employee Plans; and (vii) all non-routine correspondence to and from any Governmental Entity. No Company Employee Plan is a plan, program, policy practice, or Contract that is sponsored by a professional employer organization or co-employer organization ("***PEO***") under which an employee of the Company may be eligible to receive compensation and/or benefits in connection with the Company's engagement of a PEO.

(c) Employee Plan Compliance. (i) Each Company Employee Plan has been established, administered, and maintained in all material respects in accordance with its terms and in material compliance with applicable Laws, including but not limited to ERISA and the Code; (ii) all the Company Employee Plans that are intended to be qualified under Section 401(a) of the Code are so qualified and have received timely determination letters from the IRS and no such determination letter has been revoked nor, to the Knowledge of the Company, has any such revocation been threatened, or with respect to a prototype plan, can rely on an opinion letter from the IRS to the prototype plan sponsor, to the effect that such qualified retirement plan and the related trust are exempt from federal income Taxes under Sections 401(a) and 501(a), respectively, of the Code, and to the Knowledge of the Company, as of the date hereof, no circumstance exists that is likely to result in the loss of such qualified status under Section 401(a) of the Code; (iii) as of the date hereof, the Company and its Subsidiaries, where applicable, have timely made all contributions, and other payments required by and due under the terms of each Company Employee Plan and applicable Law, and all benefits accrued under any unfunded Company Employee Plan have been paid, accrued, or otherwise adequately reserved to the extent required by, and in accordance with GAAP; (iv) except to the extent limited by applicable Law, each Company Employee Plan can be

amended, terminated, or otherwise discontinued after the Effective Time in accordance with its terms, without material liability to Parent, the Company, or any of its Subsidiaries (other than ordinary administration expenses and in respect of accrued benefits thereunder); (v) as of the date hereof, there are no investigations, audits, inquiries, enforcement actions, or Legal Actions pending or, to the Knowledge of the Company, threatened by the IRS, U.S. Department of Labor, Health and Human Services, Equal Employment Opportunity Commission, or any similar Governmental Entity with respect to any Company Employee Plan; (vi) as of the date hereof, there are no Legal Actions pending, or, to the Knowledge of the Company, threatened with respect to any Company Employee Plan (in each case, other than routine claims for benefits); and (vii) each Company Employee Plan is in compliance in all material respects with the Patient Protection and Affordable Care Act and its companion bill, the Health Care and Education Reconciliation Act of 2010 (together known as the "***ACA***") and the rules and regulations promulgated thereunder, and no federal income Taxes or penalties have been imposed or are reasonably expected to be incurred or are due for noncompliance with ACA or for failure to provide minimum coverage to Company Employees. Neither the Company nor any of its Subsidiaries sponsors or maintains any self-funded employee benefit plan, including any plan to which a stop-loss policy applies.

(d) Plan Liabilities. Neither the Company nor any Company ERISA Affiliate has incurred or reasonably expects to incur, either directly or indirectly, any material liability under Title I or Title IV of ERISA, or related provisions of the Code or foreign Law relating to any Company Employee Plan. None of the Company Employee Plans provide health care or life insurance benefits or coverage, or other retiree welfare benefits to any employees after their employment is terminated (other than as required by Part 6 of Subtitle B of Title I of ERISA, Section 4980B of the Code, or similar state law) and the Company has never promised to provide such post-termination benefits. Neither the Company nor any Company ERISA Affiliates has announced its intention to modify or terminate any Company Employee Plan or adopt any arrangement or program which, once established, would come within the definition of a Company Employee Plan.

(e) Certain Company Employee Plans. With respect to each Company Employee Plan:

(i) no such plan is a pension plan (within the meaning of Section 3(2) of ERISA), a "multiemployer plan" within the meaning of Section 3(37) of ERISA, a "multiple employer welfare arrangement" as such term is defined in Section 3(40) of ERISA or a "multiple employer plan" within the meaning of Section 413(c) of the Code, and neither the Company nor any of its Company ERISA Affiliates has now or at any time contributed to, sponsored, maintained, or had any liability or obligation in respect of any such plans;

(ii) no Legal Action has been initiated by the Pension Benefit Guaranty Corporation to terminate any such Company Employee Plan or to appoint a trustee for any such Company Employee Plan;

(iii) no Company Employee Plan is subject to the minimum funding standards of Section 302 of ERISA or Sections 412, 418(b), or 430 of the Code; and

(iv) no "reportable event," as defined in Section 4043 of ERISA, has occurred, or is reasonably expected to occur, with respect to any such Company Employee Plan.

(f) Potential Governmental Liability. Within the past three (3) years, no Company Employee Plan has been the subject of an examination or audit by a Governmental Entity, and no Company Employee Plan is the subject of an application or filing under, or is a participant in, an amnesty, voluntary compliance, self-correction, or similar program sponsored by any Governmental Entity.

(g) Section 409A Compliance. Each Company Employee Plan that constitutes a "nonqualified deferred compensation plan" subject to Section 409A of the Code has been written, executed, and operated, in all material respects, in documentary and operational compliance with Section 409A of the Code and all applicable regulatory and administrative guidance (including, without limitation, proposed Treasury Regulations, notices, rulings, and final regulations). The Company has not entered into any agreement or arrangement to, and does not otherwise have any obligation to, indemnify or hold harmless any Person for any liability that results from the failure to comply with the requirements of Section 409A of the Code.

(h) Effect of Transaction. Neither the execution or delivery of this Agreement, the consummation of the Merger, nor any of the other transactions contemplated by this Agreement shall (either alone or in combination with any other event): (i) entitle any current or former director, employee, contractor, or consultant of the Company or any of its Subsidiaries to severance pay or any other payment; (ii) accelerate the timing of payment, funding, or vesting, or increase the amount of compensation due to any such individual; (iii) limit or restrict the right of the Company to merge, amend, or terminate any Company Employee Plan; (iv) increase

the amount payable or result in any other material obligation pursuant to any Company Employee Plan; or (v) result in the payment of any "excess parachute payments" within the meaning of Section 280G of the Code.

(i) Employment Law Matters. The Company and each of its Subsidiaries: (i) is and, since April 28, 2023, has been in compliance in all material respects with all applicable Laws and agreements regarding hiring, employment, termination of employment, plant closing and mass layoff, employment discrimination, harassment, retaliation, and reasonable accommodation, leaves of absence, terms and conditions of employment, wages and hours of work, employee classification, employee health and safety, use of genetic information, leasing and supply of temporary and contingent staff, engagement of independent contractors, including proper classification of same, payroll Taxes, and immigration with respect to Company Employees and contingent workers; and (ii) is and, since April 28, 2023, has been in material compliance with all applicable Laws relating to the relations between it and any labor organization, trade union, work council, or other body representing Company Employees. There are no pending or, to the Knowledge of the Company, threatened investigations, complaints, charges, claims, lawsuits, or arbitrations by or on behalf of any employee of the Company or any of its Subsidiaries with respect to any Laws referenced in this Section 3.11(i).

(j) Labor. There is (i) no unfair labor practice complaint pending against the Company, or any of its Subsidiaries, nor to the Knowledge of the Company, threatened against it or any of its Subsidiaries, before the National Labor Relations Board, any state or local labor relation board or any foreign labor relations board, and no significant grievance or significant arbitration proceeding arising out of or under any collective bargaining agreement is so pending against the Company or any of its Subsidiaries, or, to the Knowledge of the Company, threatened against it and (ii) no strike, lockout, work stoppage, slowdown, union organizing campaign, union demand for recognition or union election petition is pending or, to the Knowledge of the Company, threatened, with respect to the employees of the Company or any of its Subsidiaries, and, to the Knowledge of the Company, there is no existing or imminent strike, lockout, work stoppage or slowdown by the employees of its Subsidiaries' principal suppliers, manufacturers, customers or contractors. No key employee or significant group of employees of the Company or any Subsidiary has provided, or to the Knowledge of the Company, plans to provide, written notice to the Company of intent to terminate employment with the Company or any such Subsidiary.

(k) Employees. The Company has no employees and has never had any employees.

(l) 401(k) Plan. The Company has never had a Company Employee Plan that is a 401(k) plan.

Section 3.12 Real Property and Personal Property Matters.

(a) The Company and each of its Subsidiaries have good and marketable title to, or in the case of leased assets and properties, valid leasehold interests in, all of the tangible assets and properties (including those shown on the Company Balance Sheet) used or held for use in, or necessary for, the operation of the Company's business, free and clear of all Liens, other than Permitted Liens. Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect with respect to the Company, all machinery, vehicles, equipment, and other material tangible personal property owned or leased by the Company or any of its Subsidiaries or used in the Company's business are in good operating condition and satisfactory repair, normal wear and tear excepted and are sufficient for the continued operation of such business following the Closing. All leases of personal property to which the Company or any of its Subsidiaries is a party are in full force and effect and afford the Company a valid leasehold interest in, or license to use, the personal property that is the subject of such lease or license.

(b) Neither the Company nor any of its Subsidiaries owns or has ever owned, leases or has ever leased, any real property, nor is either party to any agreement to purchase or sell any real property.

Section 3.13 Environmental Matters.

(a) Neither the Company nor any of its Subsidiaries is in material violation of any federal, state, local or foreign law or regulation relating to pollution or protection of human health or the environment (including, without limitation, ambient air, surface water, groundwater, land surface or subsurface strata) or wildlife, including without limitation, laws and regulations relating to emissions, discharges, releases or threatened releases of chemicals, pollutants, contaminants, wastes, toxic substances, hazardous substances, petroleum and petroleum products (collectively, "***Materials of Environmental Concern***"), or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Materials of Environmental Concern (collectively, "***Environmental Laws***"), which violation includes, but is not limited to,

material noncompliance with any permits or other governmental authorizations required for the operation of the business of the Company or its Subsidiaries under applicable Environmental Laws, or material noncompliance with the terms and conditions thereof, nor has the Company or any of its Subsidiaries received any written communication, whether from a governmental authority, citizens group, employee or otherwise, that alleges that the Company or any of its Subsidiaries is in violation of any Environmental Law. There is no claim, action or cause of action filed with a court or governmental authority, no investigation with respect to which the Company has received written notice, and no written notice by any person or entity alleging potential liability for investigatory costs, cleanup costs, governmental responses costs, natural resources damages, property damages, personal injuries, attorneys' fees or penalties arising out of, based on or resulting from the presence, or release into the environment, of any Material of Environmental Concern at any location owned, leased or operated by the Company or any of its Subsidiaries, now or in the past (collectively, "***Environmental Claims***"), pending or, to the Knowledge of the Company, threatened against the Company or any of its Subsidiaries or any person or entity whose liability for any Environmental Claim the Company or any of its Subsidiaries has retained or assumed either contractually or by operation of law. To the Knowledge of the Company, there are no past or present actions, activities, circumstances, conditions, events or incidents, including, without limitation, the release, emission, discharge, presence or disposal of any Material of Environmental Concern, that reasonably could result in a violation of any Environmental Law or form the basis of a potential Environmental Claim against the Company or any of its Subsidiaries or against any person or entity whose liability for any Environmental Claim the Company or any of its subsidiaries has retained or assumed either contractually or by operation of law.

Section 3.14 Material Contracts.

(a) **Material Contracts**. For purposes of this Agreement, "***Company Material Contract***" means the following Contracts to which the Company or any of its Subsidiaries is a party or any of the respective assets are bound:

(i) any Contract (other than Company Employee Plans) providing for payments (whether fixed, contingent, or otherwise) by or to the Company or any of its Subsidiaries (A) in an annual amount of $50,000 or more or (B) in an aggregate amount of $100,000 or more, pursuant to its express terms;

(ii) any employment or consulting Contract (in each case with respect to which the Company has continuing obligations as of the date hereof) (A) with any current executive officer of the Company, (B) with any current member of the Company Board, or (C) providing for an annual base salary or payment in excess of $100,000, or (D) involving any severance, change-of-control, retention or similar payments or benefits;

(iii) any Contract providing for any guaranty by the Company or any Subsidiary thereof, other than any guaranty by the Company or a Subsidiary thereof of any of the obligations of the Company or another wholly owned Subsidiary thereof;

(iv) any Contract that purports to limit in any material respect the right of the Company or any of its Subsidiaries (or, at any time after the consummation of the Merger, Parent, or any of its Subsidiaries) (A) to engage in any line of business, or (B) compete with any Person or operate in any geographical location;

(v) any Contract relating to the disposition or acquisition, directly or indirectly (by merger or otherwise), by the Company or any of its Subsidiaries after the date of this Agreement of assets or capital stock or other equity interests of any Person;

(vi) any Contract that contains any provision that requires the purchase of all of the Company's or any of its Subsidiaries' requirements for a given product or service from a given third party, which product or service is material to the Company and its Subsidiaries, taken as a whole;

(vii) any Contract that obligates the Company or any of its Subsidiaries to conduct business on an exclusive or preferential basis or upon consummation of the Mergers shall obligate Parent, the Surviving Company, or any of their respective Subsidiaries to conduct business on an exclusive or preferential basis with any third party;

(viii) any partnership, joint venture, limited liability company agreement, or similar Contract that is material to the Company and its Subsidiaries taken as a whole;

(ix) any mortgages, indentures, guarantees, loans, or credit agreements, security agreements, or other Contracts, in each case relating to indebtedness for borrowed money, whether as borrower or lender, other than (A) accounts receivables and payables, and (B) loans to direct or indirect wholly owned Subsidiaries of the Company;

(x) any employee collective bargaining agreement or other Contract with any labor union;

(xi) any Contract or commitment that obligates the Company or any of its Subsidiaries to develop or continue the research and development any product or product candidate;

(xii) any Company Leases;

(xiii) any Contract that involves the license, sublicense, consent to use, settlement, coexistence, covenant not to sue, waiver, release, permission or other right granted (including any right to receive or obligation to pay royalties or any other consideration) with respect to any Intellectual Property Rights or Intellectual Property Assets;

(xiv) any Contract which is not otherwise described in clauses (i)-(xi) above that is material to the Company and its Subsidiaries, taken as a whole.

(b) Schedule of Material Contracts; Documents. Section 3.14(b) of the Company Disclosure Letter sets forth an accurate and complete list as of the date hereof of all Company Material Contracts. The Company has made available to Parent correct and complete copies of all Company Material Contracts, including any amendments thereto.

(c) No Breach. All the Company Material Contracts are legal, valid, and binding on the Company or its applicable Subsidiary, enforceable against it in accordance with its terms, and is in full force and effect. Neither the Company nor any of its Subsidiaries nor, to the Knowledge of the Company, any third party, has violated any provision of, or failed to perform any obligation required under the provisions of, any Company Material Contract in such manner as would permit any other party to cancel or terminate any such Company Material Contract, or would permit any other party to seek damages which would reasonably be expected to be material to the Company or its business. Neither the Company nor any of its Subsidiaries nor, to the Knowledge of the Company, any third party, is in breach, or has received written notice of breach, of any Company Material Contract.

Section 3.15 Insurance. All insurance policies of the Company and its Subsidiaries are in full force and effect and provide insurance in such amounts and against such risks as the Company reasonably has determined to be prudent, taking into account the industries in which the Company and its Subsidiaries operate. Neither the Company nor any of its Subsidiaries is in breach or default, and neither the Company nor any of its Subsidiaries has taken any action or failed to take any action which, with notice or the lapse of time, would constitute such a breach or default, or permit termination or modification of, any of such insurance policies. Since April 28, 2023, no notice of cancellation or termination, other than pursuant to the expiration of a term in accordance with the terms thereof, has been received with respect to any such policy.

Section 3.16 Related Person Transactions. There are no outstanding amounts payable to or receivable from, or advances by the Company or any of its Subsidiaries to, and neither the Company nor any of its Subsidiaries are otherwise a creditor or debtor to, or party to any Contract or transaction with, any Related Party, except (a) to the extent provided for by the terms and conditions of Company Employee Plan and (b) transactions related to Company Securities disclosed in Section 3.02(a) and Section 3.02(c) of the Company Disclosure Letter.

Section 3.17 Regulatory Matters.

(a) Neither the Company nor any of its Subsidiaries nor, to the Knowledge of the Company, any director, officer, agent, employee, or affiliate of the Company or any of its Subsidiaries is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department ("***OFAC***"); and the Company shall not directly or indirectly use proceeds contemplated herein, or lend, contribute, or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity, for the purpose of financing the activities of any person currently subject to any U.S. sanctions administered by OFAC.

(b) Neither the Company, nor to the Knowledge of the Company any of its employees, officer, directors, or any agent or representative acting on behalf of the Company is currently or has been: (i) a Sanctioned Person; (ii) engaging in any dealings or transactions with any Sanctioned Person or in any Sanctioned Country, to the extent such activities violate applicable sanctions Laws; or (iii) otherwise in violation of applicable sanctions Laws, Ex-Im Laws or U.S. anti-boycott Laws (collectively, "***Trade Control Laws***") in any material respect.

(c) (i) The Company has not received from any Governmental Entity any written notice or inquiry, (ii) made any voluntary or involuntary disclosure to a Governmental Entity, or (iii) conducted any internal investigation or audit, in each case of clauses (i)-(iii), concerning any alleged violation of Trade Control Laws.

(d) Neither the Company nor any of its officers, directors, employees or any of its agents or third party representatives acting on behalf of the Company, have paid, given or received or have offered or promised to pay, give or receive, any bribe or other unlawful payment of money or thing of value to or from any Person or Governmental Entity in the United States or elsewhere in violation of the Foreign Corrupt Practices Act of 1977, as amended (the "***FCPA***"), the Anti-Kickback Act of 1986 (the "***Anti-Kickback Act***") or any other Laws that prohibit bribery, money laundering, corruption, fraud or other improper payments; and (ii) there is no charge, proceeding or investigation by any Governmental Entity with respect to a violation of the FCPA, the Anti-Kickback Act or any other Laws that prohibit bribery, money laundering, corruption, fraud or other improper payments that is now pending or, to the Knowledge of the Company, threatened with respect to the Company.

(e) Each of the current product or product candidates of the Company or any of its Subsidiaries is being, and at all times has been, developed, tested, manufactured, marketed, sold, labeled and stored, as applicable, in compliance in all material respects with the Federal Food, Drug and Cosmetic Act, the Public Health Service Act and applicable regulations enforced by the FDA and any other applicable Regulatory Authorities outside the United States, including those requirements relating to current good manufacturing practices, good laboratory practices and good clinical practices, as applicable.

(f) The Company and its Subsidiaries have filed with the applicable Regulatory Authorities all material required filings, declarations, registrations, reports or submissions necessary for the operation of the business of the Company and its Subsidiaries as presently conducted. All such filings, declarations, registrations, reports or submissions were in material compliance with applicable Laws when filed (or were corrected or supplemented by a subsequent submission), and no material deficiencies have been asserted by any applicable Regulatory Authority with respect to any such filings, declarations, registrations, reports or submissions.

(g) Neither the Company nor any Subsidiary of Company is subject to any investigation that is pending and of which the Company has been notified in writing or, to the Knowledge of the Company, which has been threatened, in each case by (i) the FDA, (ii) the Department of Health and Human Services Office of Inspector General or Department of Justice pursuant to the Federal Healthcare Program Anti-Kickback Statute or the Federal False Claims Act or (iii) any Governmental Entity outside of the U.S. pursuant to any equivalent statute of such jurisdiction.

(h) Neither the Company nor its Subsidiaries has (i) made an untrue statement of a material fact to the FDA or any other applicable Regulatory Authority or (ii) failed to disclose a material fact required to be disclosed to the FDA or any other applicable Regulatory Authority. None of the Company, its Subsidiaries, nor, to the Knowledge of the Company, any of their respective officers, employees, agents or contractors, has been suspended or debarred or convicted of any crime or engaged in any conduct that would reasonably be expected to result in (a) debarment under 21 U.S.C. § 335a or any similar Law or (b) exclusion under 42 U.S.C. § 1320a-7 or any similar Law.

Section 3.18 Accredited Investor Status. Each holder of Company Common Stock is an "accredited investor" as that term is defined in Rule 501(a) of Regulation D under the 1933 Act or was issued Company securities pursuant to Rule 701 of the Securities Act.

Section 3.19 Disclaimer of Reliance. Notwithstanding anything contained in this Agreement to the contrary, the Company acknowledges and agrees that none of the Parent, Merger Sub and Second Merger Sub, or any other Person has made or is making, and the Company expressly disclaims reliance upon, any representations, warranties, or statements relating to Parent or its Subsidiaries whatsoever, express or implied, beyond those expressly given by Parent in ARTICLE IV.

Section 3.20 No Other Representations or Warranties. Except for the representations and warranties set forth in this ARTICLE III, neither the Company nor any other Person has made or is making any express or implied representation or warranty, either written or oral, with respect to the Company or its Subsidiaries or with respect to any other information provided to the Company or its Subsidiaries in connection with the Mergers or the other transactions contemplated hereby. Without limiting the generality of the foregoing, neither the Company nor any other Person has made or makes any representation or warranty with respect to any projections, estimates, or budgets of future revenues, future results of operations, future cash flows, or future financial condition (or any component of any of the foregoing) of the Company, including any information made available in the electronic data room maintained by the Company for purposes of the transactions contemplated by this Agreement, teasers, marketing materials, consulting reports or materials, confidential information memoranda, management presentations, functional "break-out" discussions, responses to questions submitted on behalf of Parent or its Representatives, any financial projections or forward-looking statements.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF PARENT, MERGER SUB AND SECOND MERGER SUB

Parent, Merger Sub and Second Merger Sub hereby jointly and severally represent and warrant to the Company as follows, except as set forth in the correspondingly numbered Section of the disclosure letter (the "***Parent Disclosure Letter***"), dated as of the date of this Agreement and delivered by Parent to the Company concurrently with the execution of this Agreement, or otherwise disclosed or identified in the Parent SEC Report filed with or furnished to the SEC after December 31, 2021 and publicly available prior to the date hereof, without giving effect to any amendment to any such Parent SEC Reports filed or furnished on or after the date hereof (other than any forward-looking disclosures contained in the "Forward Looking Statements" and "Risk Factors" sections of such Parent SEC Reports and any other disclosures included therein to the extent they are primarily predictive, cautionary or forward looking in nature) so long as the applicability of a disclosure in such Parent SEC Reports or Parent Disclosure Letter to a representation or warranty is readily apparent based on the face of such disclosure:

Section 4.01 Organization.

(a) Organization; Standing and Power. Each of Parent and Merger Sub is a corporation duly organized, validly existing, and in good standing under the Laws of its jurisdiction of organization, and has the requisite corporate power and authority to own, lease, or otherwise hold and operate its assets and to carry on its business. Second Merger Sub is a limited liability company duly organized, validly existing and in good standing under the Laws of its jurisdiction of organization, and has the requisite limited liability company power and authority to own, lease, or otherwise hold and operate its assets and to carry on its business. Each of Parent and Merger Sub is duly qualified or licensed to do business as a foreign corporation, and Second Merger Sub is duly qualified or licensed to do business as a foreign limited liability company, and each of Parent, Merger Sub and Second Merger Sub is in good standing in each jurisdiction where the character of the assets and properties owned, leased, held or operated by it or the nature of its business makes such qualification or license necessary, except where the failure to be so qualified or licensed or to be in good standing, would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on the Parent, Merger Sub or Second Merger Sub.

(b) Charter Documents. Parent has delivered or made available to the Company a true and correct copy of the Charter Documents of Parent, Merger Sub and Second Merger Sub. Neither Parent, Merger Sub nor Second Merger Sub is in violation of any of the provisions of its Charter Documents.

(c) Subsidiaries. Except as set forth in the Parent SEC Reports, Parent does not own or control, directly or indirectly, any interest in any corporation, partnership, limited liability partnership, limited liability company, association or other entity. All of the outstanding shares of capital stock of, or other equity or voting interests in, each Subsidiary of Parent have been validly issued, were issued free of pre-emptive rights, are fully paid and non-assessable, and are free and clear of all Liens, including any restriction on the right to vote, sell, or otherwise dispose of such capital stock or other equity or voting interests and except for applicable securities Laws. Except for the capital stock of, or other equity or voting interests in, its Subsidiaries, Parent does not own, directly or indirectly, any capital stock of, or other equity or voting interests in, any Person.

Section 4.02 Authority; Non-Contravention; Governmental Consents; Board Approval

(a) **Authority**. Each of Parent, Merger Sub and Second Merger Sub has all requisite corporate or limited liability company power and authority to enter into and to perform its obligations under this Agreement and to consummate the transactions contemplated by this Agreement. The execution and

delivery of this Agreement by Parent, Merger Sub and Second Merger Sub and the consummation by Parent, Merger Sub and Second Merger Sub of the transactions contemplated by this Agreement have been duly authorized by all necessary corporate or limited liability company action on the part of Parent, Merger Sub and Second Merger Sub and no other corporate or limited liability company proceedings on the part of Parent, Merger Sub or Second Merger Sub are necessary to authorize the execution and delivery of this Agreement or to consummate the Mergers and the other transactions contemplated hereby. This Agreement has been duly executed and delivered by Parent, Merger Sub and Second Merger Sub and, assuming due execution and delivery by the Company, constitutes the legal, valid, and binding obligation of Parent, Merger Sub and Second Merger Sub, enforceable against Parent, Merger Sub and Second Merger Sub in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, moratorium, and other similar Laws affecting creditors' rights generally and by general principles of equity.

(b) **Non-Contravention**. The execution, delivery, and performance of this Agreement by Parent, Merger Sub and Second Merger Sub and the consummation by Parent, Merger Sub and Second Merger Sub of the transactions contemplated by this Agreement, do not and shall not: (i) contravene or conflict with, or result in any violation or breach of, the Charter Documents of Parent, Merger Sub or Second Merger Sub; (ii) assuming that all of the Consents contemplated by clauses (i) through (iv) of Section 4.02(c) have been obtained or made, conflict with or violate any Law applicable to Parent, Merger Sub or Second Merger Sub or any of their respective properties or assets; (iii) result in any breach of or constitute a default (or an event that with notice or lapse of time or both would become a default) under, result in Parent's or any of its Subsidiaries' loss of any benefit or the imposition of any additional payment or other liability under, or alter the rights or obligations of any third party under, or give to any third party any rights of termination, amendment, acceleration, or cancellation, or require any Consent under, any Contract to which Parent or any of its Subsidiaries is a party or otherwise bound as of the date hereof; or (iv) result in the creation of a Lien (other than Permitted Liens) on any of the properties or assets of Parent or any of its Subsidiaries.

(c) **Governmental Consents**. No Consent of any Governmental Entity is required to be obtained or made by Parent, Merger Sub or Second Merger Sub in connection with the execution, delivery, and performance by Parent, Merger Sub and Second Merger Sub of this Agreement or the consummation by Parent, Merger Sub or Second Merger Sub of the Mergers and other transactions contemplated hereby, except for: (i) the filing of the Certificate of Merger in respect of the First Merger with the Secretary of State of the State of Delaware; (ii) the filing of the Second Certificate of Merger in respect of the Second Merger with the Secretary of State of the State of Delaware; (iii) the filing with the SEC of such reports under the Securities Act or Exchange Act as may be required in connection with this Agreement, the Mergers, and the other transactions contemplated by this Agreement; (iv) such Consents as may be required under applicable state securities or "blue sky" Laws and the securities Laws of any foreign country or the rules and regulations of NASDAQ; and (v) such other Consents which if not obtained or made would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on Parent's, Merger Sub's and Second Merger Sub's ability to consummate the transactions contemplated by this Agreement.

(d) **Approval**.

(i) The board of directors of Parent by resolutions duly adopted by a unanimous vote at a meeting of all directors of Parent duly called and held or by unanimous written consent, and not subsequently rescinded or modified in any way, has (A) determined that this Agreement and the transactions contemplated hereby, including the Mergers, upon the terms and subject to the conditions set forth herein and therein, are fair to, and in the best interests of, Parent and Parent's stockholders, and (B) authorized and approved this Agreement, including the execution, delivery, and performance thereof, and the consummation of the transactions contemplated by this Agreement, including the Mergers, upon the terms and subject to the conditions set forth herein. No other action on the part of Parent or the stockholders of Parent (including any vote of such stockholders of Parent) is necessary to authorize the execution of this Agreement and the consummation of the transactions contemplated hereby, including the Mergers.

(ii) The board of directors of Merger Sub by resolutions duly adopted by a unanimous vote at a meeting of all directors of Merger Sub duly called and held or by unanimous written consent, and not subsequently rescinded or modified in any way, has (A) determined that this Agreement and the transactions contemplated hereby, including the Merger, upon the terms and subject to the conditions set forth herein, are fair to, and in the best interests of, Merger Sub and Parent, as the sole stockholder of Merger Sub, (B) authorized and approved this Agreement, including the execution, delivery, and performance thereof, and the consummation of the transactions contemplated by this Agreement, including the Merger, upon the terms and subject to the conditions set forth herein, and (C) resolved to recommend that Parent, as the sole stockholder of Merger Sub, approve the adoption of this Agreement in accordance with the DGCL.

(iii) The manager of Second Merger Sub by resolutions duly adopted by written consent, and not subsequently rescinded or modified in any way, has (A) determined that this Agreement and the transactions contemplated hereby, including the Mergers, upon the terms and subject to the conditions set forth herein, are fair to, and in the best interests of, Second Merger Sub and Parent, as the sole member of Second Merger Sub, and (B) authorized and approved this Agreement, including the execution, delivery, and performance thereof, and the consummation of the transactions contemplated by this Agreement, including the Mergers, upon the terms and subject to the conditions set forth herein.

Section 4.03 Securities Laws Matters.

(a) Parent has delivered or made available to the Company accurate and complete copies of all Parent SEC Reports filed by Parent with the SEC since January 1, 2021 other than such documents that can be obtained on the SEC's website at www.sec.gov. Parent has made available to the Company true and complete copies of all correspondence (including comment letters, written inquiries and enforcement correspondences), other than transmittal correspondence or general communications by the SEC not specifically addressed to Parent, between the SEC, on the one hand, and Parent, on the other, since January 1, 2021, including all SEC comment letters and responses to such comment letters and responses to such comment letters by or on behalf of Parent except for such comment letters and responses to such comment letters that are publicly accessible through EDGAR, and will, reasonably promptly following the receipt thereof, make available to the Company any such correspondence sent or received after the date of this Agreement. As of the date of this Agreement, Parent has timely responded to all comment letters of the staff of the SEC relating to the Parent SEC Reports, and the SEC has not advised Parent that any final responses are inadequate, insufficient, or otherwise non-responsive. As of the date of this Agreement, there are no outstanding unresolved comments in comment letters received from the SEC or Nasdaq with respect to Parent SEC Reports. To the Knowledge of Parent, as of the date of this Agreement, none of the Parent SEC Reports is the subject of an ongoing SEC review.

(b) Parent Common Stock is registered pursuant to the Exchange Act. Neither the SEC nor any Governmental Entity has issued any order preventing or suspending trading of any securities of Parent, and Parent is in compliance in all material respects with the Securities Act. To the Knowledge of Parent, as of the date of this Agreement, no inquiry, review, or investigation of Parent by the SEC is in effect or ongoing or expected to be implemented or undertaken.

(c) Except as required by the SEC or NASDAQ, neither Parent nor any of its Subsidiaries is subject to continuous disclosure or other public reporting requirements under any securities Laws.

(d) The financial statements (including any related notes) contained or incorporated by reference in the Parent SEC Reports since January 1, 2021: (i) complied as to form in all material respects with the published rules and regulations of the SEC applicable thereto; (ii) were prepared in accordance with GAAP (except as may be indicated in the notes to such financial statements or, in the case of unaudited financial statements, except as permitted by Form 10-Q of the SEC, and except that the unaudited financial statements may not contain footnotes and are subject to normal and recurring year-end adjustments) applied on a consistent basis unless otherwise noted therein throughout the periods indicated; and (iii) fairly present, in all material respects, the financial position of Parent and its consolidated Subsidiaries as of the respective dates thereof and the results of operations and cash flows of Parent for the periods covered thereby. Other than as expressly disclosed in the Parent SEC Reports filed since January 1, 2021, there has been no material change in Parent's accounting methods or principles that would be required to be disclosed in Parent's financial statements in accordance with GAAP.

(e) Parent's independent registered public accounting firm 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.

(f) Since January 1, 2021, there have been no formal investigations regarding financial reporting or accounting policies and practices discussed with, reviewed by or initiated at the direction of the chief executive officer, chief financial officer, principal accounting officer or general counsel of Parent, the Parent Board or any committee thereof, other than ordinary course audits or reviews of accounting policies and practices or internal controls required by the Sarbanes-Oxley Act.

(g) Parent maintains, and at all times since January 1, 2021, has maintained, a system of internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) that is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP and to provide reasonable assurance (i) that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, (ii) that receipts and expenditures are made only in accordance with authorizations of management and the Parent Board, (iii) regarding prevention or timely detection of the unauthorized acquisition, use or disposition of Parent's assets that could have a material effect on Parent's financial statements and (iv) that Parent maintains records in reasonable detail that accurately and fairly reflect the transactions and dispositions of the assets of Parent and any of its Subsidiaries. Parent has evaluated the effectiveness of Parent's internal control over financial reporting as of September 30, 2023, 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 internal control over financial reporting as of the end of the period covered by such report or amendment based on such evaluation. Parent has disclosed, based on its most recent evaluation of internal control over financial reporting, to Parent's auditors and audit committee (and has described in Section 4.03(g) of the Parent Disclosure Letter) (A) all material weaknesses and all significant deficiencies, if any, in the design or operation of internal control over financial reporting that are reasonably likely to adversely affect Parent's ability to record, process, summarize and report financial information and (B) any fraud, whether or not material, that involves Parent, any of its Subsidiaries, Parent's management or other employees who have a role in the preparation of financial statements or the internal accounting controls utilized by the Parent and its Subsidiaries or (C) any claim or allegation regarding any of the foregoing. Parent has not identified, based on its most recent evaluation of internal control over financial reporting, any significant deficiencies or material weaknesses in the design or operation of Parent's internal control over financial reporting.

(h) Parent maintains "disclosure controls and procedures" (as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act) that are reasonably designed to ensure that information required to be disclosed by Parent in the periodic reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the required time periods, and that all such information is accumulated and communicated to Parent's management as appropriate to allow timely decisions regarding required disclosure and to make the certifications required by Sections 302 of the Sarbanes-Oxley Act of 2002.

(i) Parent has not been and is not currently a "shell company" as defined under Section 12b-2 of the Exchange Act.

(j) Since January 1, 2021, Parent has timely filed or furnished all Parent SEC Reports required to be filed or furnished by Parent under applicable securities laws and the rules and policies of NASDAQ. The documents in the Parent SEC Reports, as at the respective dates filed, were in compliance in all material respects with the applicable securities Laws and, where applicable, the rules and policies of NASDAQ. No executive officer of Parent has failed in any respect to make the certifications required of him or her under Section 302 or 906 of the Sarbanes-Oxley Act in respect of any Parent SEC Report.

(k) None of the documents in the Parent SEC Reports, as of their respective dates (and, if amended or superseded prior to the date hereof, then on the date of such document was filed or furnished), contained any untrue statement of a material fact or omitted 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, except that no representation is made as to the accuracy of any financial projections or forward-looking statements or the completeness of any information filed or furnished by Parent to the SEC solely for the purposes of complying with Regulation FD promulgated under the Exchange Act.

Section 4.04 Litigation. Except as set forth in the Parent SEC Reports, as of the date hereof, there is no material Legal Action pending, or to the Knowledge of Parent, threatened against Parent or any of its Subsidiaries or any of their respective properties or assets or, to the Knowledge of Parent, any officer or director of Parent or any of its Subsidiaries in their capacities as such, including any proceeding before the FDA or comparable federal, state, local or foreign governmental bodies (it being understood that the interaction between Parent and the FDA and such comparable governmental bodies relating to the clinical development and product approval process shall not be deemed proceedings for purposes of this representation). None of Parent or any of its Subsidiaries or any of their respective properties or assets is subject to any Order of a Governmental Entity or arbitrator, whether temporary, preliminary, or permanent other than Orders of general applicability.

Section 4.05 Capitalization.

(a) The authorized capital of Parent as of the date hereof consists 205,000,000 shares, of which 200,000,000 shares are designated as common stock and 5,000,000 shares are designed as preferred stock. As of the date hereof, 862,525 shares of Parent Common Stock are issued and outstanding and no shares of Parent preferred stock are issued and outstanding. Each outstanding share of capital stock of Parent is duly authorized, validly issued, fully paid and nonassessable. None of the outstanding shares of Parent Common Stock was issued in violation of any preemptive rights, rights of first refusal or other similar rights to subscribe for or purchase securities of Parent. Section 4.05(a) of the Parent Disclosure Letter sets forth a complete and accurate list of the name of the record and beneficial holder of each outstanding warrant or option to purchase Parent Capital Stock (each such warrant, a "***Parent Warrant***", and each such option, a "***Parent Option***"), the number and class of Parent Capital Stock that each Parent Warrant and Parent Option has the right to purchase, and the exercise price of each Parent Warrant and Parent Option.

(b) As of the date hereof, Parent has reserved 40,119 shares of Parent Common Stock for issuance pursuant to the Parent Stock Plan, of which 7,599 shares are reserved for issuance to employees and directors of, and consultants to, Parent upon the exercise of outstanding and unexercised options granted under the Parent Stock Plan. True, complete, and accurate copies of the Parent Stock Plan and each written form of agreement covering or relating to an outstanding award granted under the Parent Stock Plan have been made available or filed to the Company. All of Parent's options, warrants and other rights to purchase or exchange any securities for shares of Parent's capital stock have been duly authorized and validly issued and were issued in compliance with federal and state securities laws.

(c) Except as set forth in this Agreement or in Section 4.05(a) or Section 4.05(c) of the Parent Disclosure Letter, as of the date hereof, there are no outstanding: (i) securities of Parent or any of its Subsidiaries convertible into or exchangeable for Parent Voting Debt or shares of capital stock of Parent; (ii) options, warrants, or other agreements or commitments to acquire from Parent or any of its Subsidiaries, or obligations of Parent or any of its Subsidiaries to issue, any Parent Voting Debt or shares of capital stock of (or securities convertible into or exchangeable for shares of capital stock of) Parent; or (iii) restricted shares, restricted stock units, stock appreciation rights, performance shares, profit participation rights, contingent value rights, "phantom" stock, or similar securities or rights that are derivative of, or provide economic benefits based, directly or indirectly, on the value or price of, any shares of capital stock of Parent, in each case that have been issued by the Parent or its Subsidiaries (the items in clauses (i), (ii), and (iii), together with the capital stock of Parent, being referred to collectively as "***Parent Securities***"), and there is no agreement or arrangement not yet fully performed that would result in the creation of any of the foregoing. All outstanding shares of Parent Common Stock, and all outstanding shares of capital stock, voting securities, or other ownership interests in any Subsidiary of Parent, have been issued or granted, as applicable, in compliance in all material respects with all applicable securities Laws.

(d) Voting Debt. No bonds, debentures, notes, or other indebtedness issued by Parent or any of its Subsidiaries: (i) having the right to vote on any matters on which stockholders or equityholders of Parent or any of its Subsidiaries may vote (or that is convertible into, or exchangeable for, securities having such right); or (ii) the value of which is directly based upon or derived from the capital stock, voting securities, or other ownership interests of Parent or any of its Subsidiaries, are issued or outstanding (collectively, "***Parent Voting Debt***").

(e) Parent Subsidiary Securities. As of the date hereof, there are no outstanding: (i) securities of Parent or any of its Subsidiaries convertible into or exchangeable for Parent Voting Debt, capital stock, voting securities, or other ownership interests in any Subsidiary of Parent; (ii) options, warrants, or other agreements or commitments to acquire from Parent or any of its Subsidiaries, or obligations of Parent or any of its Subsidiaries to issue, any Parent Voting Debt, capital stock, voting securities, or other ownership interests in (or securities convertible into or exchangeable for capital stock, voting securities, or other ownership interests in) any Subsidiary of Parent; or (iii) restricted shares, restricted stock units, stock appreciation rights, performance shares, profit participation rights, contingent value rights, "phantom" stock, or similar securities or rights that are derivative of, or provide economic benefits based, directly or indirectly, on the value or price of, any capital stock or voting securities of, or other ownership interests in, any Subsidiary of Parent, in each case that have been issued by a Subsidiary of Parent (the items in clauses (i), (ii), and (iii), together with the capital stock, voting securities, or other ownership interests of such Subsidiaries, being referred to collectively as "***Parent Subsidiary Securities***"), and there is no agreement or arrangement not yet fully performed that would result in the creation of any of the foregoing.

Section 4.06 Valid Issuance. All the Parent Capital Stock to be issued to the stockholders of the Company pursuant to the terms hereof, when issued as provided in and pursuant to the terms of this Agreement,

shall be duly authorized and validly issued, fully paid and nonassessable, and (other than restrictions under applicable securities laws, or restrictions created by such stockholders) shall be free of restrictions on transfer.

Section 4.07 Ownership of Merger Sub and Second Merger Sub. All of the issued and outstanding securities of each of Merger Sub and Second Merger Sub are, and at the Effective Time shall be, owned directly or indirectly by Parent. Merger Sub and Second Merger Sub were formed solely for purposes of the Mergers and, except for matters incident to formation and execution and delivery of this Agreement and the performance of the transactions contemplated hereby, have not engaged prior to the date hereof in any business or other activities.

Section 4.08 Absence of Certain Changes or Events. Since December 31, 2023, except in connection with the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby, the business of Parent and each of its Subsidiaries has been conducted in the ordinary course of business consistent with past practice, and there has not been or occurred:

(a) in respect of Parent or any of its Subsidiaries, any (i) making, change, or revocation of any material election relating to Taxes inconsistent with past practices; (ii) adoption or change of any annual accounting period or any method of accounting for Tax purposes; (iii) agreement to any material audit assessment by any taxing authority; (iv) entry into any closing agreement related to Taxes, settlement of any material Tax claim or assessment, consent to any extension or waiver of the limitations period applicable to any Tax claim or assessment, or filing of any amended income or other material Tax Return; or (v) entry into any Tax sharing or similar agreement or arrangement (other than commercial Contracts a primary purpose of which is unrelated to Taxes); or

(b) any Material Adverse Effect with respect to Parent or any of its Subsidiaries, individually or collectively.

Section 4.09 Intellectual Property.

(a) Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, Parent and its Subsidiaries own or possess the right to use the Intellectual Property Rights and Intellectual Property Assets (the "***Parent IP***") necessary to conduct their respective businesses as currently conducted and as proposed to be conducted.

(b) The material Parent IP owned by Parent or any of its Subsidiaries is owned solely and exclusively by Parent or its Subsidiary, free and clear of any Liens other than Permitted Liens. To the Knowledge of Parent, the Parent IP owned by Parent and the Parent Licensed IP, is valid, enforceable, subsisting and in full force and effect. None of the Parent IP owned by Parent, and none of the Parent Licensed IP, is or has been subject to any pending, concluded, or, to the Knowledge of Parent, threatened, Legal Action or other proceeding (including any interference, derivation, re-examination, opposition, cancellation reissue or other post-grant proceeding, but excluding customary office actions issued by an application examiner with the United States Patent and Trademark Office or its foreign equivalent in the ordinary course of business in connection with the prosecution of a pending application for a patent or a trademark registration) that challenges the validity, enforceability, use, right to use, scope, duration, effectiveness or ownership of any item of such Parent IP.

(c) Parent and its Subsidiaries have not received any opinion from their legal counsel concluding that any activities of their respective businesses infringe, misappropriate, or otherwise violate valid and enforceable Intellectual Property Rights of any other person, and have not received written notice of any challenge by any other person to the rights of Parent and its Subsidiaries with respect to any Intellectual Property Rights or Intellectual Property Assets owned or used by Parent or its Subsidiaries. The operation of Parent's and its Subsidiaries' respective businesses do not infringe, misappropriate, or otherwise violate any valid and enforceable Intellectual Property Rights of any other person.

(d) Each Parent License is valid, binding upon, and enforceable by or against the parties thereto in accordance with its terms. To the Knowledge of Parent, (i) Parent is not in breach nor has received any written asserted or threatened claim of breach of, any Parent License, and (ii) there is no breach or anticipated breach by any other person of any such license.

(e) Parent has taken reasonable steps to protect, maintain and safeguard its Intellectual Property Rights, including the execution of appropriate nondisclosure and confidentiality agreements.

(f) Except as, individually or in the aggregate, has not had and would not reasonably be expected to have a Material Adverse Effect with respect to Parent, to the knowledge of Parent, (i) Parent has at all times complied with all applicable laws relating to privacy, data protection, and the collection and use of personal information collected, used, or held for use by Parent in the conduct of Parent's business, (ii) Parent's and each of its Subsidiaries' collection, storage, use and dissemination of personally identifiable information and any other data that could reasonably be used to identify any consumer, patient, employee or other person or any of their respective devices has, at all times complied with all applicable Law, privacy policies and terms of use and other contractual obligations relating to privacy, data protection or data security, (iii)no breach, security incident, or violation of any data security policy in relation to personally identifiable information or other data that could reasonably be used to identify any consumer, patient, employee or other person or any of their respective devices has occurred, or is or was threatened, and there has been no unauthorized or illegal processing of such data and (iv) Parent and each of its Subsidiaries maintain commercially reasonable security procedures to protect against loss, misuse, unauthorized access, disclosure, and destruction of personally identifiable information and other data pertaining to consumers, patients, employees or other persons. Neither Parent nor any of its Subsidiaries has received written, or to the Knowledge of Parent, any non-written, notice of any claims (including any investigation or notice from any Governmental Entity) that have been asserted or threatened against Parent or any of its Subsidiaries alleging, any violation of any Person's privacy or personally identifiable information or data rights or non-compliance with applicable Laws, privacy policies or terms of use or other contractual obligations relating to privacy, data protection or data security.

Section 4.10 Compliance with Laws; Permits.

(a) As of the date of this Agreement, there are no outstanding or unresolved comments in comment letters from the SEC staff with respect to the Parent SEC Reports. As of the date of this Agreement, Parent has not received any written or, to the Knowledge of Parent, oral notice from the SEC that any of the Parent SEC Reports is the subject of any ongoing investigation. To the Knowledge of Parent, as of the date of this Agreement, there are no SEC inquiries or investigations, other government inquiries or investigations or material internal investigations pending or threatened, in each case regarding any accounting practices of Parent. None of Parent's Subsidiaries is required to file periodic reports with the SEC pursuant to the Exchange Act.

(b) The audited and unaudited consolidated financial statements (including, as applicable, the related notes thereto) of Parent included (or incorporated by reference) in the Parent SEC Reports (i) have been prepared from, are in accordance with, and accurately reflect the books and records of Parent and its Subsidiaries as of their respective dates in all material respects, (ii) have been prepared in accordance with GAAP (except as may be indicated in the notes thereto or, in the case of unaudited statements, as permitted by Form 10-Q of the SEC) applied on a consistent basis throughout the periods involved, (iii) fairly present in all material respects the consolidated financial position of Parent and its Subsidiaries as of their respective dates, and the consolidated income, stockholders equity, results of operations and changes in consolidated financial position or cash flows for the periods presented therein (subject, in the case of the unaudited financial statements, to the absence of footnotes and normal course year-end audit adjustments) and (iv) complied as to form in all material respects with applicable accounting requirements and the published rules and regulations of the SEC with respect thereto.

(c) To the Knowledge of Parent, neither Parent nor Parent's auditor have identified or been made aware of (i) any existing "significant deficiencies" or "material weaknesses" (as defined by the Public Company Accounting Oversight Board) not otherwise remedied in the design or operation of the internal control over financial reporting or (ii) any fraud, whether or not material, that involves management or other employees who have a significant role in Parent's internal controls over financial reporting. Parent has designed and maintains disclosure controls and procedures (as defined in Rule 13a-15 of the Exchange Act) sufficient to provide reasonable assurance that information required to be disclosed by Parent in the Parent SEC Reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms.

(d) Parent and each of its Subsidiaries are and, since January 1, 2021, have been in compliance in all material respects with, all Laws or Orders applicable to Parent or any of its Subsidiaries or by which Parent or any of its Subsidiaries or any of their respective businesses or properties is bound. No Governmental Entity has issued any written notice or notification stating that Parent or any of its Subsidiaries is not in compliance with any Law.

(e) Parent and its Subsidiaries hold all Permits, except for any Permits for which the failure to obtain or hold would not reasonably be expected to have, individually or in the aggregate, a material and adverse impact on Parent. No suspension, cancellation, non-renewal, or adverse modifications of any Permits of Parent or any of its Subsidiaries is pending or, to the Knowledge of Parent, threatened, except for any such

suspension or cancellation which would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect with respect to Parent. Parent and each of its Subsidiaries is and has at all times been in compliance with the terms of all Permits, except where the failure to be in such compliance would not reasonably be expected to have, individually or in the aggregate, a material and adverse impact on Parent.

Section 4.11 Brokers. Except for Stifel Financial Corp. and Oppenheimer & Co. Inc., none of Parent, Merger Sub, Second Merger Sub or any of their respective Affiliates has incurred, nor shall it incur, directly or indirectly, any liability for investment banker, brokerage, or finders' fees or agents' commissions, or any similar charges in connection with this Agreement or any transaction contemplated by this Agreement for which the Company would be liable in connection with the Merger.

Section 4.12 Tax Matters.

(a) Tax Returns and Payment of Taxes. The Parent and each of its Subsidiaries have duly filed or caused to be filed (taking into account any valid extensions) all income and other material Tax Returns required to be filed by them. Such Tax Returns are true, complete, and correct in all material respects. Neither the Parent nor any of its Subsidiaries is currently the beneficiary of any extension of time within which to file any Tax Return other than extensions of time to file Tax Returns obtained in the ordinary course of business consistent with past practice. All material Taxes due and owing by the Parent or any of its Subsidiaries (whether or not shown on any Tax Return) have been paid, or where payment is not yet due, the Parent has made an adequate provision for such Taxes (in accordance with GAAP). However, regardless of what may be reported on any such Tax Returns, the Parent and each of its Subsidiaries make no representation regarding (i) any carryovers of net operating losses, Tax credits, or charitable contribution or other Tax benefits items that are available to it or have been reported by any such entity for any federal, state, or other Tax purposes, or (ii) any limitation on use of any net operating losses, Tax credits, or charitable contribution or other tax benefit carryovers that might apply either as of or after the Closing Date under Sections 382 or 383 of the Code or any other applicable limitations under any Tax Laws.

(b) Liens. There are no Liens other than Permitted Liens for material Taxes upon the assets of the Parent or any of its Subsidiaries.

(c) Tax Deficiencies and Audits. No deficiency for any amount of Taxes that has been proposed, asserted, or assessed in writing by any taxing authority against the Parent or any of its Subsidiaries remains unpaid. There are no waivers or extensions of any statute of limitations currently in effect with respect to Taxes of the Parent or any of its Subsidiaries. There are no audits, suits, proceedings, investigations, claims, examinations, or other administrative or judicial proceedings ongoing or pending with respect to any Taxes of the Parent or any of its Subsidiaries.

(d) Consolidated Groups, Transferee Liability, and Tax Agreements. Neither the Parent nor any of its Subsidiaries: (i) has been a member of a group filing Tax Returns on a consolidated, combined, unitary, or similar basis other than one in which the Parent is the common parent; (ii) has any material liability for Taxes of any Person (other than the Parent or any of its Subsidiaries) under Treasury Regulations Section 1.1502-6 (or any comparable provision of local, state, or foreign Law), as a transferee or successor, by Contract, or otherwise; or (iii) is a party to, bound by or has any material liability under any Tax sharing, allocation, or indemnification agreement or arrangement (other than customary Tax indemnifications contained in credit or other commercial agreements a primary purpose of which agreements does not relate to Taxes).

(e) Post-Closing Tax Items. The Parent and its Subsidiaries will not 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 day of the Effective Time as a result of any: (i) "closing agreement" as described in Section 7121 of the Code (or any corresponding or similar provision of state, local or foreign income Tax Law) executed on or prior to the day of the Effective Time; (ii) installment sale or open transaction disposition made on or prior to the Closing Date; (iii) prepaid amount received on or prior to the Closing Date; or (iv) any income under Section 965(a) of the Code, including as a result of any election under Section 965(h) of the Code with respect thereto; (v) prepaid amount received on or before the day of the Effective Time; or (vi) election under Section 108(i) of the Code.

(f) Section 355. Neither the Parent nor any of its Subsidiaries has been a "distributing corporation" or a "controlled corporation" in connection with a distribution that was purported or intended to be described in Section 355 of the Code.

(g) Other Matters. As of the day of the Effective Time, the Parent will not own any equity interest (i) in any entity, plan or arrangement that is treated for federal or any applicable state or local income Tax purposes as a partnership, (ii) in any "controlled foreign corporation" within the meaning of Section 957 of the Code, or (iii) in any "passive foreign investment corporation" within the meaning of Section 1297 of the Code.

(h) Reorganization. Neither Parent, Merger Sub nor Second Merger Sub has taken any action nor does either know of any fact or circumstance that could reasonably be expected to prevent the Mergers from qualifying as a "reorganization" within the meaning of Section 368(a) of the Code.

(i) Real Property Holding Corporation. The Parent is not, nor has it 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) of the Code.

(j) Neither Parent, Merger Sub, nor Second Merger Sub have taken any action, or have any knowledge of any fact or circumstance outside of the provisions, terms and actions permitted or set forth in this Agreement, that could reasonably be expected to prevent the Mergers from qualifying as a "reorganization" within the meaning of Section 368(a)(1) of the Code.

Section 4.13 Employee Matters.

(a) No Noncompliance. No "prohibited transaction" (as defined in Section 406 of ERISA, or Section 4975 of the Code and not otherwise exempt under Section 408 of ERISA and regulatory guidance thereunder) or "accumulated funding deficiency" (as defined in Section 302 of ERISA) or any of the events set forth in Section 4043(b) of ERISA (other than events with respect to which the thirty (30)-day notice requirement under Section 4043 of ERISA has been waived) has occurred or could reasonably be expected to occur with respect to any Parent Employee Plan for the benefit of any current or former employee, independent contractor, consultant, or director of the Parent or any of its Subsidiaries (each, a "***Parent Employee***"). Each Parent Employee Plan is in compliance in all material respects with applicable law, including ERISA and the Code. The Parent and its Subsidiaries have not incurred and could not reasonably be expected to incur liability under Title IV of ERISA with respect to the termination of, or withdrawal from, any pension plan (as defined in Section 3(2) of ERISA). Each pension plan that is intended to be qualified under Section 401(a) of the Code is so qualified, and to the Parent's Knowledge, nothing has occurred, whether by action or by failure to act, that could, singularly or in the aggregate, cause the loss of such qualification.

(b) Documents. Section 4.13(b) of the Parent Disclosure Letter sets forth a true, complete and correct list of every material Parent Employee Plan. Parent has made available to the Company correct and complete copies (or, if a plan or arrangement is not written, a written description) of all Parent Employee Plans and amendments thereto in each case that are in effect as of the date hereof, and, to the extent applicable: (i) all related trust agreements, funding arrangements, insurance contracts, and service provider agreements now in effect or required in the future as a result of the transactions contemplated by this Agreement or otherwise; (ii) the most recent determination letter (or if applicable, advisory or opinion letter) received from the IRS regarding the Tax-qualified status of each Parent Employee Plan; (iii) the most recent financial statements for each Parent Employee Plan; (iv) the Form 5500 Annual Returns/Reports and Schedules for the most recent three plan years for each Parent Employee Plan; (v) the current summary plan description for each Parent Employee Plan; (vi) the most recent actuarial valuation reports and non-discrimination testing results for the three most recent plans years, related to any Parent Employee Plans; and (vii) all material non-routine correspondence to and from any Governmental Entity. No Parent Employee Plan is a plan, program, policy, practice, or Contract that is sponsored by a professional employer organization or co-employer organization (PEO) under which an employee of the Parent may be eligible to receive compensation or benefits in connection with the Parent's engagement of a PEO.

(c) Employee Plan Compliance.

(i) Each Parent Employee Plan has been established, administered, and maintained in all material respects in accordance with its terms and in material compliance with applicable Laws, including but not limited to ERISA and the Code.

(ii) All the Parent Employee Plans that are intended to be qualified under Section 401(a) of the Code are so qualified and have received timely determination letters from the IRS and no such determination letter has been revoked nor, to the Knowledge of the Parent, has any such revocation been threatened, or with respect to a prototype plan, can rely on an opinion letter from the IRS to the prototype plan sponsor, to the effect that such qualified retirement plan and the related trust are exempt from federal income Taxes under Sections

401(a) and 501(a), respectively, of the Code, and to the Knowledge of the Parent, as of the date hereof, no circumstance exists that is likely to result in the loss of such qualified status under Section 401(a) of the Code.

(iii) As of the date hereof, the Parent and its Subsidiaries, where applicable, have timely made all contributions, and other payments required by and due under the terms of each Parent Employee Plan and applicable Law, and all benefits accrued under any unfunded Parent Employee Plan have been paid, accrued, or otherwise adequately reserved to the extent required by, and in accordance with GAAP.

(iv) Except to the extent limited by applicable Law, each Parent Employee Plan can be amended, terminated, or otherwise discontinued after the Effective Time in accordance with its terms, without material liability to Parent, or any of its Subsidiaries (other than ordinary administration expenses and in respect of accrued benefits thereunder).

(v) As of the date hereof, there are no investigations, audits, inquiries, enforcement actions, or Legal Actions pending or, to the Knowledge of the Parent, threatened by the IRS, U.S. Department of Labor, Health and Human Services, Equal Employment Opportunity Commission, or any similar Governmental Entity with respect to any Parent Employee Plan.

(vi) As of the date hereof, there are no Legal Actions pending, or, to the Knowledge of the Parent, threatened with respect to any Parent Employee Plan (in each case, other than routine claims for benefits).

(vii) Each Parent Employee Plan is in compliance in all material respects with the ACA and the rules and regulations promulgated thereunder, and no federal income Taxes or penalties have been imposed or are reasonably expected to be incurred or are due for noncompliance with ACA or for failure to provide minimum coverage to Parent Employees. Neither the Parent nor any of its Subsidiaries sponsors or maintains any self-funded employee benefit plan, including any plan to which a stop-loss policy applies.

(d) Plan Liabilities. Neither the Parent nor any Parent ERISA Affiliate has incurred or reasonably expects to incur, either directly or indirectly, any material liability under Title I or Title IV of ERISA, or related provisions of the Code or foreign Law relating to any Parent Employee Plan. Except as set forth in Section 4.13(d) of the Parent Disclosure Letter, none of the Parent Employee Plans provide health care or life insurance benefits or coverage, or other retiree welfare benefits to any employees after their employment is terminated (other than as required by Part 6 of Subtitle B of Title I of ERISA, Section 4980B of the Code, or similar state law) and the Parent has never promised to provide such post-termination benefits. Neither the Parent nor any Parent ERISA Affiliates has announced its intention to modify or terminate any Parent Employee Plan or adopt any arrangement or program which, once established, would come within the definition of a Parent Employee Plan.

(e) Certain Parent Employee Plans. With respect to each Parent Employee Plan:

(i) no such plan is a pension plan (within the meaning of Section 3(2) of ERISA), a "multiemployer plan" within the meaning of Section 3(37) of ERISA, a "multiple employer welfare arrangement" as such term is defined in Section 3(40) of ERISA, or a "multiple employer plan" within the meaning of Section 413(c) of the Code, and neither the Parent nor any of its Parent ERISA Affiliates has now or at any time contributed to, sponsored, maintained, or had any liability or obligation in respect of any such plans;

(ii) no Legal Action has been initiated by the Pension Benefit Guaranty Corporation to terminate any such Parent Employee Plan or to appoint a trustee for any such Parent Employee Plan;

(iii) no Parent Employee Plan is subject to the minimum funding standards of Section 302 of ERISA or Sections 412, 418(b), or 430 of the Code; and

(iv) no "reportable event," as defined in Section 4043 of ERISA, has occurred, or is reasonably expected to occur, with respect to any such Parent Employee Plan.

(f) Potential Governmental Liability. No Parent Employee Plan has been the subject of an examination or audit by a Governmental Entity or is the subject of an application or filing under, or is a participant in, an amnesty, voluntary compliance, self-correction, or similar program sponsored by any Governmental Entity.

(g) Section 409A Compliance. Each Parent Employee Plan that constitutes a "nonqualified deferred compensation plan" subject to Section 409A of the Code has been written, executed, and operated, in all material respects, in documentary and operational compliance with Section 409A of the Code and all applicable regulatory and administrative guidance (including, without limitation, proposed Treasury Regulations, notices, rulings, and final regulations). Parent has not entered into any agreement or arrangement to, and does not otherwise have any obligation to, indemnify or hold harmless any Person for any liability that results from the failure to comply with the requirements of Section 409A of the Code.

(h) Effect of Transaction. Neither the execution or delivery of this Agreement, the consummation of the Merger, nor any of the other transactions contemplated by this Agreement shall (either alone or in combination with any other event): (i) entitle any current or former director, employee, contractor, or consultant of the Parent or any of its Subsidiaries to severance pay or any other payment; (ii) accelerate the timing of payment, funding, or vesting, or increase the amount of compensation due to any such individual; (iii) limit or restrict the right of the Parent to merge, amend, or terminate any Parent Employee Plan; (iv) increase the amount payable or result in any other material obligation pursuant to any Parent Employee Plan; or (v) result in the payment of any "excess parachute payments" within the meaning of Section 280G of the Code.

Section 4.14 Environmental Matters.

(a) Neither Parent nor any of its Subsidiaries is in material violation of any federal, state, local or foreign law or regulation relating to Materials of Environmental Concern, or otherwise relating to Environmental Laws, which violation includes, but is not limited to, material noncompliance with any permits or other governmental authorizations required for the operation of the business of Parent or its Subsidiaries under applicable Environmental Laws, or material noncompliance with the terms and conditions thereof, nor has Parent or any of its Subsidiaries received any written communication, whether from a governmental authority, citizens group, employee or otherwise, that alleges that Parent or any of its Subsidiaries is in violation of any Environmental Law. There are no Environmental Claims now or in the past, pending or, to the Knowledge of Parent, threatened against Parent or any of its Subsidiaries or any person or entity, whose liability for any Environmental Claim, Parent or any of its Subsidiaries has retained or assumed either contractually or by operation of law. To the Knowledge of Parent, there are no past or present actions, activities, circumstances, conditions, events or incidents, including, without limitation, the release, emission, discharge, presence or disposal of any Material of Environmental Concern, that reasonably could result in a violation of any Environmental Law or form the basis of a potential Environmental Claim against Parent or any of its Subsidiaries or against any person or entity whose liability for any Environmental Claim the Company or any of its subsidiaries has retained or assumed either contractually or by operation of law.

Section 4.15 Reportable Contracts. Except as disclosed in the Parent SEC Reports, Section 4.15 of the Parent Disclosure Letter sets forth a list of contracts that would be included in Item 15 of the Parent's Annual Report on Form 10-K for the year ended December 31, 2023 if such Annual Report were filed on the date of this Agreement (not including form agreements, the "***Reportable Contracts***"). The Reportable Contracts are legal, valid, and binding on Parent or its applicable Subsidiary, enforceable against it in accordance with its terms, and are in full force and effect. Neither Parent nor any of its Subsidiaries nor, to the Knowledge of Parent, any third party has violated any provision of, or failed to perform any obligation required under the provisions of, any such Reportable Contract in such manner as would permit any other party to cancel or terminate any such Reportable Contract, or would permit any other party to seek damages which would reasonably be expected to be material to Parent or its business. Neither Parent nor any of its Subsidiaries nor, to the Knowledge of Parent, any third party is in breach, or has received written notice of breach, of any such Reportable Contract. Notwithstanding any other provision herein, other than the Reportable Contracts and any Contracts in connection with the PIPE Financing, Parent nor any of its Subsidiaries is a party to or has its respective assets bound by:

(i) any employment or consulting Contract (in each case with respect to which the Company has continuing obligations as of the date hereof) (A) with any current executive officer of the Company, (B) with any current member of the Company Board, or (C) providing for an annual base salary or payment in excess of $100,000, or (D) involving any severance, change-of-control, retention or similar payments or benefits;

(ii) any Contract that purports to limit in any material respect the right of the Company or any of its Subsidiaries (or, at any time after the consummation of the Merger, Parent, or any of its Subsidiaries) (A) to engage in any line of business, or (B) compete with any Person or operate in any geographical location;

(iii) any Contract relating to the disposition or acquisition, directly or indirectly (by merger or otherwise), by the Company or any of its Subsidiaries after the date of this Agreement of assets or capital stock or other equity interests of any Person;

(iv) any Contract that contains any provision that requires the purchase of all of the Company's or any of its Subsidiaries' requirements for a given product or service from a given third party, which product or service is material to the Company and its Subsidiaries, taken as a whole;

(v) any Contract that obligates the Company or any of its Subsidiaries to conduct business on an exclusive or preferential basis or upon consummation of the Mergers shall obligate Parent, the Surviving Company, or any of their respective Subsidiaries to conduct business on an exclusive or preferential basis with any third party;

(vi) any partnership, joint venture, limited liability company agreement, or similar Contract that is material to the Company and its Subsidiaries taken as a whole;

(vii) any mortgages, indentures, guarantees, loans, or credit agreements, security agreements, or other Contracts, in each case relating to indebtedness for borrowed money, whether as borrower or lender, other than (A) accounts receivables and payables, and (B) loans to direct or indirect wholly owned Subsidiaries of the Company;

(viii) any employee collective bargaining agreement or other Contract with any labor union;

(ix) any Contract or commitment that obligates the Company or any of its Subsidiaries to develop or continue the research and development any product or product candidate; or

(x) any Contract that involves the license, sublicense, consent to use, settlement, coexistence, covenant not to sue, waiver, release, permission or other right granted (including any right to receive or obligation to pay royalties or any other consideration) with respect to any Intellectual Property Rights or Intellectual Property Assets;

Section 4.16 Insurance. All insurance policies of Parent and its Subsidiaries are in full force and effect and provide insurance in such amounts and against such risks as Parent reasonably has determined to be prudent, taking into account the industries in which Parent and its Subsidiaries operate. Neither Parent nor any of its Subsidiaries is in breach or default, and neither Parent nor any of its Subsidiaries has taken any action or failed to take any action which, with notice or the lapse of time, would constitute such a breach or default, or permit termination or modification of, any of such insurance policies. Since January 1, 2021, no notice of cancellation or termination, other than pursuant to the expiration of a term in accordance with the terms thereof, has been received with respect to any such policy.

Section 4.17 Related Person Transactions. There are no outstanding amounts payable to or receivable from, or advances by Parent or any of its Subsidiaries to, and neither Parent nor any of its Subsidiaries are otherwise a creditor or debtor to, or party to any Contract or transaction with, any Related Party, except (a) to the extent provided for by the terms and conditions of Parent Employee Plan and (b) as disclosed in Section 4.15 of the Parent Disclosure Letter.

Section 4.18 Regulatory Matters.

(a) Neither Parent nor any of its Subsidiaries nor, to the Knowledge of Parent, any director, officer, agent, employee, or affiliate of Parent or any of its Subsidiaries is currently subject to any U.S. sanctions administered by OFAC; and the Company shall not directly or indirectly use proceeds contemplated herein, or lend, contribute, or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity, for the purpose of financing the activities of any person currently subject to any U.S. sanctions administered by OFAC.

(b) Neither Parent, nor to the Knowledge of Parent any of its employees, officer, directors, or any agent or representative acting on behalf of Parent is currently or has been: (i) a Sanctioned Person; (ii) engaging in any dealings or transactions with any Sanctioned Person or in any Sanctioned Country, to the extent such activities violate applicable sanctions Laws; or (iii) otherwise in violation of Trade Control Laws in any material respect.

(c) (i) Parent has not received from any Governmental Entity any written notice or inquiry, (ii) made any voluntary or involuntary disclosure to a Governmental Entity, or (iii) conducted any internal investigation or audit, in each case of clauses (i)-(iii), concerning any alleged violation of Trade Control Laws.

(d) (i) Neither Parent nor any of its officers, directors, employees or any of its agents or third party representatives acting on behalf of the Company, have paid, given or received or have offered or promised to pay, give or receive, any bribe or other unlawful payment of money or thing of value to or from any Person or Governmental Entity in the United States or elsewhere in violation of the FCPA, the Anti-Kickback Act or any other Laws that prohibit bribery, money laundering, corruption, fraud or other improper payments; and (ii) there is no charge, proceeding or investigation by any Governmental Entity with respect to a violation of the FCPA, the Anti-Kickback Act or any other Laws that prohibit bribery, money laundering, corruption, fraud or other improper payments that is now pending or, to the Knowledge of Parent, threatened with respect to Parent.

(e) Each of the current product candidates of the Parent is being, and at all times has been, developed, tested, manufactured, marketed, sold, labeled and stored, as applicable, in compliance in all material respects with the Federal Food, Drug and Cosmetic Act, the Public Health Service Act and applicable regulations enforced by the FDA and any other applicable Regulatory Authorities outside the United States, including those requirements relating to current good manufacturing practices, good laboratory practices and good clinical practices, as applicable.

(f) The clinical trials conducted by or on behalf of Parent were, and if still pending, are, being conducted in all material respects in accordance with all applicable clinical protocols, informed consents and applicable requirements of the FDA and any other applicable Regulatory Authority outside the United States, including the applicable requirements of good clinical practice. Parent has not received any written notices or other written correspondence from the FDA or any other Regulatory Authority with respect to any ongoing clinical or preclinical studies or tests requiring the termination, suspension or material modification of such studies or tests.

(g) Parent has filed with the applicable Regulatory Authorities all material required filings, declarations, registrations, reports or submissions necessary for the operation of the business of Parent as presently conducted. All such filings, declarations, registrations, reports or submissions were in material compliance with applicable Laws when filed (or were corrected or supplemented by a subsequent submission), and no material deficiencies have been asserted by any applicable Regulatory Authority with respect to any such filings, declarations, registrations, reports or submissions.

(h) Parent is not subject to any investigation that is pending and of which Parent has been notified in writing or, to the Knowledge of Parent, which has been threatened, in each case by (i) the FDA, (ii) the Department of Health and Human Services Office of Inspector General or Department of Justice pursuant to the Federal Healthcare Program Anti-Kickback Statute or the Federal False Claims Act or (iii) any Governmental Entity outside of the U.S. pursuant to any equivalent statute of such jurisdiction.

(i) Parent has not (i) made an untrue statement of a material fact to the FDA or any other applicable Regulatory Authority or (ii) failed to disclose a material fact required to be disclosed to the FDA or any other applicable Regulatory Authority. None of Parent or, to the Knowledge of Parent, any of its officers, employees, agents or contractors, has been suspended or debarred or convicted of any crime or engaged in any conduct that would reasonably be expected to result in (a) debarment under 21 U.S.C. § 335a or any similar Law or (b) exclusion under 42 U.S.C. § 1320a-7 or any similar Law.

Section 4.19 Disclaimer of Reliance. Notwithstanding anything contained in this Agreement to the contrary, Parent, Merger Sub and Second Merger Sub each acknowledge and agree that none of the Company or any other Person has made or is making, and Parent, Merger Sub and Second Merger Sub expressly disclaim reliance upon, any representations, warranties, or statements relating to the Company or its Subsidiaries whatsoever, express or implied, beyond those expressly given by the Company in ARTICLE III.

Section 4.20 No Other Representations or Warranties. Except for the representations and warranties set forth in this ARTICLE IV, neither Parent nor any other Person has made or is making any express or implied representation or warranty, either written or oral, with respect to Parent or its Subsidiaries or with respect to any other information provided to the Company or its Subsidiaries in connection with the Mergers or the other transactions contemplated hereby. Without limiting the generality of the foregoing, neither Parent nor any other Person has made or makes any representation or warranty with respect to any projections, estimates, or budgets of future revenues, future results of operations, future cash flows, or future financial condition (or any component of any of the foregoing) of Parent, including any information made available in the electronic data room maintained by

Parent for purposes of the transactions contemplated by this Agreement, teasers, marketing materials, consulting reports or materials, confidential information memoranda, management presentations, functional "break-out" discussions, responses to questions submitted on behalf of the Company or its Representatives, any financial projections or forward-looking statements or the completeness of any information filed or furnished by Parent to the SEC solely for the purposes of complying with Regulation FD promulgated under the Exchange Act, or in any other form in connection with the transactions contemplated by this Agreement. Neither Parent or any other Person shall have or be subject to any liability or other obligation to the Company, its Subsidiaries, or any other Person resulting from the distribution to the Company or its Subsidiaries (including their respective Representatives), or Parent's, Merger Sub's or Second Merger Sub's (or such Representatives') use of, any such information.

ARTICLE V
COVENANTS

Section 5.01 Conduct of Business of the Company. During the period from the date of this Agreement until the Effective Time, except as expressly contemplated by this Agreement or as required by applicable Law or with the prior written consent of Parent (which consent shall not be unreasonably withheld, conditioned, or delayed), the Company shall, and shall cause each of its Subsidiaries to, use its commercially reasonable efforts to conduct its business in the ordinary course of business consistent with past practice, and, to the extent consistent therewith, the Company shall, and shall cause each of its Subsidiaries to, use its commercially reasonable efforts to preserve substantially intact its and its Subsidiaries' business organization, to keep available the services of its and its Subsidiaries' current officers and employees, to preserve its and its Subsidiaries' present relationships with customers, suppliers, distributors, licensors, licensees, and other Persons having business relationships with it. Without limiting the generality of the foregoing, between the date of this Agreement and the Effective Time, except as otherwise expressly contemplated by this Agreement, as set forth in Section 5.01 of the Company Disclosure Letter, or as required by applicable Law, the Company shall not, nor shall it permit any of its Subsidiaries to, without the prior written consent of Parent (which consent shall not be unreasonably withheld, conditioned, or delayed):

(a) amend or propose to amend its Charter Documents;

(b) (i) split, combine, or reclassify any Company Securities or Company Subsidiary Securities, (ii) repurchase, redeem, or otherwise acquire, or offer to repurchase, redeem, or otherwise acquire, any Company Securities or Company Subsidiary Securities, or (iii) declare, set aside, or pay any dividend or distribution (whether in cash, stock, property, or otherwise) in respect of, or enter into any Contract with respect to the voting of, any shares of its capital stock (other than dividends from its direct or indirect wholly owned Subsidiaries);

(c) issue, sell, pledge, dispose of, or encumber any Company Securities or Company Subsidiary Securities;

(d) except as required by applicable Law or by any Company Employee Plan or Contract in effect as of the date of this Agreement (i) increase the compensation payable or that could become payable by the Company or any of its Subsidiaries to directors, officers, or employees, (ii) promote any officers or employees, or (iii) establish, adopt, enter into, amend, terminate, exercise any discretion under, or take any action to accelerate rights under any Company Employee Plans or any plan, agreement, program, policy, trust, fund, or other arrangement that would be a Company Employee Plan if it were in existence as of the date of this Agreement, or make any contribution to any Company Employee Plan, other than contributions required by Law or the terms of such Company Employee Plans as in effect on the date hereof;

(e) acquire, by merger, consolidation, acquisition of stock or assets, or otherwise, any business or Person or division thereof or make any loans, advances, or capital contributions to or investments in any Person;

(f) (i) transfer, license, sell, lease, or otherwise dispose of (whether by way of merger, consolidation, sale of stock or assets, or otherwise) or pledge, encumber, or otherwise subject to any Lien (other than a Permitted Lien), any assets, including the capital stock or other equity interests in any Subsidiary of the Company; or (ii) adopt or effect a plan of complete or partial liquidation, dissolution, restructuring, recapitalization, or other reorganization;

(g) repurchase, prepay, or incur any indebtedness for borrowed money or guarantee any such indebtedness of another Person, issue or sell any debt securities or options, warrants, calls, or other rights to acquire any debt securities of the Company or any of its Subsidiaries, guarantee any debt securities of

another Person, enter into any "keep well" or other Contract to maintain any financial statement condition of any other Person (other than any wholly owned Subsidiary of it) or enter into any arrangement having the economic effect of any of the foregoing;

(h) except as set forth in Section 5.01(h) of the Company Disclosure Letter, enter into or amend or modify in any material respect, or consent to the termination of (other than at its stated expiry date), any Company Material Contract or any Company Lease or any other Contract or Company Lease that, if in effect as of the date hereof, would constitute a Company Material Contract or Company Lease;

(i) institute, settle, or compromise any Legal Action involving the payment of monetary damages by the Company or any of its Subsidiaries of any amount exceeding $50,000 in the aggregate, other than (i) any Legal Action brought against Parent, Merger Sub or Second Merger Sub arising out of a breach or alleged breach of this Agreement by Parent, Merger Sub or Second Merger Sub, and (ii) the settlement of claims, liabilities, or obligations reserved against on the Company Balance Sheet; *provided, that* neither the Company nor any of its Subsidiaries shall settle or agree to settle any Legal Action which settlement involves a conduct remedy or injunctive or similar relief or has a restrictive impact on the Company's business;

(j) make any material change in any method of financial accounting principles or practices, in each case except for any such change required by a change in GAAP or applicable Law;

(k) (i) settle or compromise any Tax claim, audit, or assessment regarding the Company or any of its Subsidiaries for an amount in excess of the amount reserved or accrued on the Company Balance Sheet, (ii) make, revoke or change any Tax election, change any annual Tax accounting period, or adopt or change any method of Tax accounting, (iii) amend any Tax Returns or file claims for Tax refunds, (iv) enter into any closing agreement, surrender in writing any right to claim a Tax refund, offset or other reduction in Tax liability or consent to any extension or waiver of the limitation period applicable to any Tax claim or assessment relating to the Company or its Subsidiaries; or (v) enter into any Tax sharing or similar agreement or arrangement (other than customary commercial Contracts the primary purpose of which is unrelated to Taxes) or take any similar action inconsistent with the Company's or any Subsidiary's prior course of action that would increase the liability for Taxes of the Company or any of its Subsidiaries for any period after the Closing;

(l) enter into any material agreement, agreement in principle, letter of intent, memorandum of understanding, or similar Contract with respect to any joint venture, strategic partnership, co-development arrangement, or alliance;

(m) abandon, allow to lapse, sell, assign, transfer, grant any security interest in or otherwise encumber or dispose of any material Company IP, or grant any right or license to any material Company IP other than pursuant to non-exclusive licenses entered into in the ordinary course of business consistent with past practice;

(n) incur any expenditures or enter into any commitment or transaction exceeding $25,000 individually or $50,000 in the aggregate (other than expenditures incurred in connection with the transactions contemplated by this Agreement or incurred in the ordinary course of business consistent with past practice);

(o) terminate or modify in any material respect, or fail to exercise renewal rights with respect to, any material insurance policy; or

(p) agree or commit to do any of the foregoing.

Section 5.02 Access to Information; Confidentiality.

(a) Upon reasonable prior notice and subject to applicable Laws relating to the exchange of information, from the date of this Agreement until the earlier to occur of the Effective Time or the termination of this Agreement in accordance with the terms set forth in ARTICLE VII, the Company shall, and shall cause its Subsidiaries to, afford to Parent and Parent's Representatives reasonable access, at reasonable times and in a manner as shall not unreasonably interfere with the business or operations of the Company or any Subsidiary thereof, to the officers, employees, accountants, agents, properties, offices, and other facilities and to all books, records, contracts, and other assets of the Company and its Subsidiaries, and the Company shall, and shall cause its Subsidiaries to, furnish promptly to Parent such other information concerning the business and properties of the Company and its Subsidiaries as Parent may reasonably request from time to time. Neither the Company nor any of

its Subsidiaries shall be required to provide access to or disclose information where such access or disclosure would jeopardize the protection of attorney-client privilege or contravene any Law. No investigation shall affect the Company's representations, warranties, covenants, or agreements contained herein.

(b) Parent and the Company shall comply with, and shall cause their respective Representatives to comply with, all of their respective obligations under the Confidentiality Agreement, dated October 25, 2023, between Parent and Company (the "***Confidentiality Agreement***"), which shall survive the termination of this Agreement in accordance with the terms set forth therein.

Section 5.03 No Solicitation.

(a) Except as otherwise provided herein, during the period commencing on the date of this Agreement and ending at the Effective Time or such earlier date as this Agreement may be terminated in accordance with its terms (such period is referred to as the "***Pre-Closing Period***"), the Company shall not, directly or indirectly, initiate, solicit or encourage any inquiries or the making or implementation of any proposal or offer with respect to a merger, acquisition or similar transaction involving the purchase of the Company, all or substantially all of the Company's assets, or the Company Securities or any license of the Company IP.

(b) Except as otherwise provided herein, during the Pre-Closing Period, the Company will not, and will use its commercially reasonable efforts to not permit any of its directors, officers, employees, advisors, representatives or agents to, directly or indirectly, (i) discuss, negotiate, undertake, authorize, recommend, propose or enter into, as the proposed surviving, merged, acquiring or acquired corporation, any transaction involving a merger, consolidation, business combination, purchase or disposition or license of any amount of the assets of the Company (other than in the ordinary course of business consistent with past practices) or any capital stock of the Company other than the transactions contemplated by this Agreement (an "***Acquisition Transaction***"), (ii) facilitate, encourage, solicit or initiate discussions, negotiations or submissions of proposals or offers in respect of an Acquisition Transaction, (iii) furnish or cause to be furnished, to any Person or entity, any information concerning the business, operations, properties or assets of the Company in connection with an Acquisition Transaction, or (iv) otherwise cooperate in any way with, or assist or participate in, facilitate or encourage, any effort or attempt by any other Person or entity to do or seek any of the foregoing.

(c) The Company shall, and shall use its reasonable best efforts to cause its representatives to, immediately cease and cause to be terminated any existing discussions or negotiations with any persons or entities (other than Parent, Merger Sub and Second Merger Sub) conducted heretofore with respect to any Acquisition Transaction.

Section 5.04 Parent Stockholder Approval; Share Issuance.

(a) Parent shall take all action necessary under applicable Law to duly call, give notice of, convene, and hold a meeting of the Parent stockholders (the "***Parent Stockholders Meeting***") as promptly as practicable after Closing, and, in connection therewith, Parent shall prepare and file with the SEC a form of preliminary proxy statement, and after completion of relevant review periods and satisfaction of any comments from the SEC, mail a proxy statement to the holders of Parent Common Stock in advance of the Parent Stockholders Meeting to seek approval of (i) the issuance of the shares of Parent Common Stock to be issued upon conversion of the Parent Preferred Stock (the "***Parent Stockholder Proposal***", and the approval of such Parent Stockholder Proposal, the "***Parent Stockholder Approval***") and (ii) amending and restating the Parent Stock Plan to, among other things, increase the number of shares reserved for issuance under the Parent Stock Plan equal to 5% of the issued and outstanding shares of Parent immediately following the Effective Time (inclusive of any shares issued pursuant to the PIPE Financing and on an as-converted to Parent Common Stock basis), (the "***Incentive Plan Proposal***"). Notwithstanding anything else to the contrary herein, Parent may not postpone or adjourn the Parent Stockholders Meeting without the prior written consent of the Securityholders' Representative, except Parent may postpone or adjourn such meeting without such consent (i) for the absence of a quorum, or (ii) to allow additional solicitation of votes in order to obtain the requisite approval of the Parent stockholders.

(b) Parent shall use its reasonable best efforts to (i) file with the SEC a form of preliminary proxy statement (together with any amendments thereof or supplements thereto, the "***Proxy Statement***") as soon as practicable after the Closing, and (ii) hold the Parent Stockholders Meeting (subject to adjournments as provided in (a) above or (c) below) within forty-five (45) calendar days after the date that the proxy statement has been reviewed and cleared by the SEC (or following the ten (10) day period in Rule 14a-6(a) under the Exchange Act, if the SEC staff does not review the proxy statement).

(c) If the approval of the Parent Stockholder Proposal is not obtained at the Parent Stockholders Meeting, then Parent will use its commercially reasonable efforts to adjourn the Parent Stockholders Meeting one or more times to a date or dates no more than thirty (30) days after the scheduled date for such meeting, and to obtain such approvals at such time. If the Parent Stockholders Meeting is not so adjourned, or if the approval of the Parent Stockholder Proposal is not then obtained, Parent will use its commercially reasonable efforts to obtain such approvals as soon as practicable thereafter, and in any event to obtain such approvals at the next occurring annual meeting of the stockholders of Parent or, if such annual meeting is not scheduled to be held within six (6) months after the Parent Stockholders Meeting, a special meeting of the stockholders of Parent to be held within six (6) months after the Parent Stockholder Meeting. Parent will hold an annual meeting or special meeting of its stockholders, at which a vote of the stockholders of Parent to approve the Parent Stockholder Proposal will be solicited and taken, at least once every six (6) months until Parent obtains approval of the Parent Stockholder Proposal.

(d) After the Parent Stockholders Meeting, assuming requisite approval of Parent Stockholder Proposal has been obtained, Parent will cause Parent Common Stock to be issued upon automatic conversion of the Parent Preferred Stock pursuant to the terms thereof.

Section 5.05 Proxy Statement.

(a) Parent agrees that: (i) the Parent Board shall recommend that the holders of Parent Common Stock vote to approve the Parent Stockholder Proposal and the Incentive Plan Proposal and shall use its reasonable best efforts to solicit and obtain such approval within the time frames set forth in Section 5.04, and (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 Proposal and the Incentive Plan Proposal. The Company and Parent acknowledge that, under the Nasdaq Stock Market Rules, the holders of the Per Share Parent Stock Consideration will not be entitled to vote on the Parent Stockholder Proposal.

(b) Parent shall use its commercially reasonable efforts to (i) cause the Proxy Statement to comply with applicable rules and regulations promulgated by the SEC and (ii) respond promptly to any comments or requests of the SEC or its staff related to the Proxy Statement.

(c) Parent covenants and agrees that the Proxy Statement (and the letters to shareholders, notice of meeting and form of proxy included therewith) will (i) comply as to form in all material respects with the requirements of applicable U.S. federal securities Laws and the DGCL, and (ii) 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 the statements made therein, in light of the circumstances under which they were made, not misleading.

(d) Parent shall use commercially reasonable efforts to cause the Proxy Statement to be delivered to Parent's shareholders as promptly as practicable after the Proxy Statement has been filed with the SEC and either (i) the SEC has indicated that it does not intend to review the Proxy Statement or that its review of the Proxy Statement has been completed or (ii) at least ten (10) days shall have passed since the Proxy Statement was filed with the SEC without receiving any correspondence from the SEC commenting upon, or indicating that it intends to review, the Proxy Statement, all in compliance with applicable U.S. federal securities laws and the DGCL. If Parent, Merger Sub, Second Merger Sub or the Surviving 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 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 Parent filing such amendment or supplement with the SEC and, if appropriate, in mailing such amendment or supplement to the Parent stockholders.

Section 5.06 Notices of Certain Events; Stockholder Litigation; No Effect on Disclosure Letter.

(a) The Company shall notify Parent, Merger Sub and Second Merger Sub, and Parent, Merger Sub and Second Merger Sub shall notify the Company, promptly of: (i) any material notice or other material communication from any Person alleging that the consent of such Person is or may be required in connection with the transactions contemplated by this Agreement; (ii) any material notice or other material communication from any Governmental Entity in connection with the transactions contemplated by this Agreement; and (iii) any event, change, or effect between the date of this Agreement and the Effective Time which causes or is reasonably likely to cause the failure of the conditions set forth in Section 6.02(a) or, Section 6.02(b) or of this

Agreement (in the case of the Company and its Subsidiaries) or Section 6.03(a) or Section 6.03(b) of this Agreement (in the case of Parent, Merger Sub and Second Merger Sub), to be satisfied.

(b) Each of the Company and Parent shall promptly advise the other party in writing after becoming aware of any Legal Action commenced after the date hereof against itself or any of its directors by any of its stockholders (on their own behalf or on behalf of Parent or the Company, as applicable) relating to this Agreement or the transactions contemplated hereby (including the Merger) and shall keep the other party reasonably informed regarding any such Legal Action. Each of the Company and Parent shall give the other party the opportunity to consult with it regarding the defense or settlement of any such stockholder litigation and shall consider the other party's views with respect to such stockholder litigation and shall not settle any such stockholder litigation without the prior written consent of the other party (which consent shall not be unreasonably withheld, delayed, or conditioned).

Section 5.07 In no event shall the delivery of any notice by a party pursuant to this Section 5.06 limit or otherwise affect the respective rights, obligations, representations, warranties, covenants, or agreements of the parties or the conditions to the obligations of the parties under this Agreement.

Section 5.08 Employees. With respect to any "employee benefit plan" as defined in Section 3(3) of ERISA maintained by Parent or any of its Subsidiaries (collectively, "***Parent Benefit Plans***") in which any Company Continuing Employees shall participate effective as of the Effective Time, Parent, to the extent permitted by the respective Parent Benefit Plan, shall, or shall cause the Surviving Company to, (i) waive any actively-at-work requirements, eligibility waiting periods and any other time-based restriction that would prevent immediate or full participation under any Parent Benefit Plan in which such Company Continuing Employees may be eligible to participate after the Effective Time with respect to participation and coverage requirements applicable to such employees to the extent such conditions and exclusions were satisfied or did not apply to such employees under the welfare plans maintained by the Company prior to the Effective Time, and (ii) to credit all service of the Company Continuing Employees with the Company or any of its Subsidiaries, as the case may be as if such service were with Parent, for purposes of eligibility to participate (but not for purposes of vesting or benefit accrual, except for vacation, if applicable) for full or partial years of service in any Parent Benefit Plan in which such Company Continuing Employees may be eligible to participate after the Effective Time; provided, that such service shall not be credited to the extent that (x) such crediting would result in a duplication of benefits or (y) such service was not credited under the corresponding Company Employee Plan.

Section 5.09 Directors' and Officers' Indemnification and Insurance.

(a) From the Effective Time through the sixth anniversary thereof, each of Parent and the Surviving Company 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 an officer or director of the Company or any of its Subsidiaries (each an "***Indemnified Party***"), 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 Indemnified Party is or was a director or officer of Parent or of the Company, or any Subsidiary thereof, asserted or claimed prior to the Effective Time, in each case, to the fullest extent permitted under applicable Law. Each 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 Company, jointly and severally, upon receipt by Parent or the Surviving Company from the 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) All rights to indemnification, advancement of expenses, and exculpation by the Company now existing in favor of each Indemnified Party as provided in the Charter Documents of the Company, in each case as in effect on the date of this Agreement, or pursuant to any other Contracts in effect on the date hereof and disclosed in Section 5.09 of the Company Disclosure Letter, shall be assumed by the Surviving Company in the Mergers, without further action, at the Effective Time and shall survive the Mergers and shall remain in full force and effect in accordance with their terms. The provisions in the certificate of formation and limited liability company agreement of the Surviving Company with respect to indemnification, advancement of expenses and exculpation of its present and former directors and officers as set forth in Exhibit C attached hereto shall not be terminated or modified in such a manner as to adversely affect any Indemnified Party to whom this Section 5.09 applies without the consent of such affected Indemnified Party.

(c) At the Closing, the Company shall (i) obtain as of the Effective Time "tail" insurance policies with a claims period of six (6) years from the Effective Time with at least the same coverage and amounts and containing terms and conditions that are not less advantageous to the Indemnified Parties, in each case with respect to claims arising out of or relating to events which occurred before or at the Effective Time (including in connection with the transactions contemplated by this Agreement) (the "***Tail Policy***"); provided, however, that in no event shall the Company be required to expend an annual premium for such coverage in excess of three hundred percent (300%) of the last annual premium paid by the Company or any of its Subsidiaries for such insurance prior to the date of this Agreement, which amount is set forth in Section 5.09(c) of the Company Disclosure Letter (the "***Maximum Premium***"). If such insurance coverage cannot be obtained at an annual premium equal to or less than the Maximum Premium, the Surviving Company shall obtain, and Parent shall cause the Surviving Company to obtain, the greatest coverage available for a cost not exceeding an annual premium equal to the Maximum Premium.

(d) The obligations of Parent, Merger Sub, Second Merger Sub, and the Surviving Company under this Section 5.09 shall survive the consummation of the Mergers and shall not be terminated or modified in such a manner as to adversely affect any Indemnified Party to whom this Section 5.09 applies without the consent of such affected Indemnified Party (it being expressly agreed that the Indemnified Parties to whom this Section 5.09 applies shall be third party beneficiaries of this Section 5.09, each of whom may enforce the provisions of this Section 5.09).

(e) The provisions of this Section 5.09 are intended to be in addition to the rights otherwise available to the current and former officers and directors of the Company by Law, charter, statute, bylaw or agreement, and shall operate for the benefit of, and shall be enforceable by, each of the Indemnified Parties, their heirs and their representatives.

(f) In the event Parent or the Surviving Company 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 Company, as the case may be, shall succeed to the obligations set forth in this Section 5.09.

Section 5.10 Reasonable Best Efforts.

(a) Upon the terms and subject to the conditions set forth in this Agreement (including those contained in this Section 5.10), each of the parties hereto shall, and shall cause its Subsidiaries to, use its reasonable best efforts to take, or cause to be taken, all actions, and to do, or cause to be done, and to assist and cooperate with the other parties in doing, all things necessary, proper, or advisable to consummate and make effective, and to satisfy all conditions to, in the most expeditious manner practicable, the transactions contemplated by this Agreement, including: (i) the obtaining of all necessary Permits, waivers, and actions or nonactions from Governmental Entities and the making of all necessary registrations and filings (including filings with Governmental Entities) and the taking of all steps as may be necessary to obtain an approval or waiver from, or to avoid an action or proceeding by, any Governmental Entities; (ii) the obtaining of all necessary material consents or waivers from third parties; and (iii) the execution and delivery of any additional instruments necessary to consummate the Mergers and to fully carry out the purposes of this Agreement. The Company and Parent shall, subject to applicable Law, promptly: (A) cooperate and coordinate with the other in the taking of the actions contemplated by clauses (i), (ii), and (iii) immediately above; and (B) supply the other with any information that may be reasonably required in order to effectuate the taking of such actions. Each party hereto shall promptly inform the other party or parties hereto, as the case may be, of any material communication from any Governmental Entity regarding any of the transactions contemplated by this Agreement. If the Company, on the one hand, or Parent, Merger Sub or Second Merger Sub, on the other hand, receives a request for additional information or documentary material from any Governmental Entity with respect to the transactions contemplated by this Agreement, then it shall use reasonable best efforts to make, or cause to be made, as soon as reasonably practicable and after consultation with the other party, an appropriate response in compliance with such request, and, if permitted by applicable Law and by any applicable Governmental Entity, provide the other party's counsel with advance notice and the opportunity to attend and participate in any meeting with any Governmental Entity in respect of any filing made thereto in connection with the transactions contemplated by this Agreement. Neither Parent nor the Company shall commit to or agree (or permit any of their respective Subsidiaries to commit to or agree) with any Governmental Entity to stay, toll, or extend any applicable waiting period under any applicable Laws, without the prior written consent of the other (such consent not to be unreasonably withheld, conditioned, or delayed).

(b) In the event that any administrative or judicial action or proceeding is instituted (or threatened to be instituted) by a Governmental Entity or private party challenging the Mergers or any

other transaction contemplated by this Agreement, or any other agreement contemplated hereby, the Company shall cooperate in all respects with Parent, Merger Sub and Second Merger Sub and shall use its reasonable best efforts to contest and resist any such action or proceeding and to have vacated, lifted, reversed, or overturned any Order, whether temporary, preliminary, or permanent, that is in effect and that prohibits, prevents, or restricts consummation of the transactions contemplated by this Agreement.

Section 5.11 Public Announcements. The initial press release with respect to this Agreement and the transactions contemplated hereby shall be a release mutually agreed to by the Company and Parent. Thereafter and until the Closing Date, each of the Company, Parent, Merger Sub and Second Merger Sub agrees that no public release or announcement concerning the transactions contemplated hereby shall be issued by any party without the prior written consent of the Company and Parent (which consent shall not be unreasonably withheld, conditioned, or delayed), except as may be required by applicable rules or regulations of NASDAQ, applicable Law or the rules or regulations of any applicable United States securities exchange or other Governmental Entity to which the relevant party is subject or submits, in which case the party required to make the release or announcement shall use its commercially reasonable efforts to allow the other party reasonable time to comment on such release or announcement in advance of such issuance. Following the Closing and prior to approval of the Parent Stockholder Proposal, any press release or public announcement shall be mutually agreed to by Parent and the Securityholders' Representative.

Section 5.12 NASDAQ Listing. Parent shall use its reasonable best efforts to take, or cause to be taken, all actions, and do or cause to be done all things, reasonably necessary, proper, or advisable on its part under applicable Laws and rules and policies of NASDAQ to cause the Parent Common Stock to be issued in connection with the Mergers (including the Parent Common Stock to be issued in connection with the Parent Stockholder Proposal) to be approved for listing on NASDAQ, subject to official notice of issuance (the "***Nasdaq Listing Application***"), and to cause such Nasdaq Listing Application to be conditionally approved prior to the Effective Time. Each of Parent and the Company will promptly inform the other party of all material verbal or written communications between Nasdaq and such party or its Representatives.

Section 5.13 PIPE Financing. Prior to the Closing Date, Parent and the Company shall work together in good faith and use commercially reasonable efforts to take, or cause to be taken, all actions, and do or cause to be done all things, reasonably necessary, proper, or advisable to raise at least $25,000,000.00 (the "***PIPE Financing Amount***") in the form of a private investment in a public entity (the "***PIPE Financing***").

Section 5.14 Company Stockholder Approval. As promptly as practicable but in no event later than the Consent Deadline, the Company shall (a) solicit and use its reasonable best efforts to obtain the Requisite Company Vote and (b) provide Parent the applicable written consents.

Section 5.15 Parent Board.

(a) Parent will use its reasonable best efforts and take all necessary action to appoint the one (1) individual designated by the Company and set forth on Schedule 5.15 of the Company Disclosure Letter (the "***Company Designee***") to serve on the board of directors of Parent effective as of the Effective Time until his or her successor is duly appointed and qualified.

(b) Promptly following the Closing, Parent shall work together in good faith with the investors in the PIPE Financing to agree on and appoint one (1) individual designated by such investors to serve on the board of directors of Parent until his or her successor is duly appointed and qualified.

Section 5.16 Parent Equity Plans. Prior to the Effective Time, the Parent will use commercially reasonable efforts to cause the board of directors of the Parent to approve the Incentive Plan Proposal, subject to the Closing and effective as of the Effective Time, and will include provisions in the Proxy Statement or other proxy statement for the stockholders of the Parent to approve the Incentive Plan Proposal. Subject to and promptly following approval of the Incentive Plan Proposal by the stockholders of the Parent, the Parent shall file with the SEC a registration statement on Form S-8 (or any successor form), if available for use by the Parent, relating to the additional shares of Parent common stock issuable with respect to the Incentive Plan Proposal.

Section 5.17 Lock-up. Without Parent's prior written consent, none of the Securityholders may Transfer any Lock-up Shares until the end of the Lock-up Period.

ARTICLE VI
CONDITIONS

Section 6.01 Conditions to Each Party's Obligation to Effect the Merger The respective obligations of each party to this Agreement to effect the Mergers is subject to the satisfaction or waiver (where permissible pursuant to applicable Law) on or prior to the Closing Date of each of the following conditions:

(a) **Company Stockholder Approval**. This Agreement will have been duly adopted by the Requisite Company Vote.

(b) **No Injunctions, Restraints, or Illegality**. No Governmental Entity having jurisdiction over any party hereto shall have enacted, issued, promulgated, enforced, or entered any Laws or Orders, whether temporary, preliminary, or permanent, that make illegal, enjoin, or otherwise prohibit consummation of the Mergers or the other transactions contemplated by this Agreement.

(c) **Preferred Stock Designation**. Parent shall have filed with the SEC the Certificate of Designation.

(d) **PIPE Financing**. Parent shall have received Subscription Agreements evidencing the obligations to fund at least the PIPE Financing Amount.

Section 6.02 Conditions to Obligations of Parent, Merger Sub and Second Merger Sub. The obligations of Parent, Merger Sub and Second Merger Sub to effect the Mergers are also subject to the satisfaction or waiver (where permissible pursuant to applicable Law) by Parent, Merger Sub and Second Merger Sub on or prior to the Closing Date of the following conditions:

(a) **Representations and Warranties**. (i) The representations and warranties of the Company (other than in Section 3.01, Section 3.02(a), Section 3.02(b), Section 3.02(d), Section 3.03(a), and Section 3.10) set forth in ARTICLE III of this Agreement shall be true and correct in all respects (without giving effect to any limitation indicated by the words "Material Adverse Effect with respect to the Company," "in all material respects," "in any material respect," "material," or "materially") when made and as of immediately prior to the Effective Time, as if made at and as of such time (except those representations and warranties that address matters only as of a particular date, which shall be true and correct in all respects as of that date), except where the failure of such representations and warranties to be so true and correct would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect with respect to the Company; (ii) the representations and warranties of the Company contained in Section 3.02(a), Section 3.02(b) and Section 3.02(d) shall be true and correct (other than immaterial and *de minimis* inaccuracies) when made and as of immediately prior to the Effective Time, as if made at and as of such time (except those representations and warranties that address matters only as of a particular date, which shall be true and correct as of that date); and (iii) the representations and warranties contained in Section 3.01(a), Section 3.03(a), and Section 3.10 shall be true and correct in all respects when made and as of immediately prior to the Effective Time, as if made at and as of such time (except those representations and warranties that address matters only as of a particular date, which shall be true and correct in all respects as of that date).

(b) **Performance of Covenants**. The Company shall have performed in all material respects all obligations, and complied in all material respects with the agreements and covenants, in this Agreement required to be performed by or complied with by it at or prior to the Closing.

(c) **Company Material Adverse Effect**. Since the date of this Agreement there shall not have occurred any Material Adverse Effect with respect to the Company.

(d) **Officers Certificate**. Parent shall have received a certificate, signed by an officer of the Company, certifying as to the matters set forth in Section 6.02(a) and Section 6.02(b) hereof.

(e) **Resignations**. Each officer and director of the Company and each Subsidiary shall resign, effective as of the Effective Time, from each of his or her positions as an officer or director of the Company or any Subsidiary.

(f) **Consulting Agreements**. Each of Patrick Crutcher, Justin DiMartino and Tatyana Touzova shall have entered into consulting agreements with the Surviving Company.

(g) **Company Stockholder Approval**. Parent shall have received evidence that this Agreement has been adopted by all of the holders of the Company Capital Stock, on an as converted to Company Common Stock basis, no later than the Consent Deadline. Such unanimous written consent must include a

release of claims against the Company, Parent and their respective Affiliates, officers, and directors, and specifically include that Parent is a third party beneficiary of such release, entitled to enforce such release in applicable courts of law or equity.

(h) **FIRPTA Certificate**. Parent shall have received from the Company a properly executed certification in accordance with U.S. Treasury Regulations Sections 1.897-2(h)(1) and 1.1445-2(c), dated not more than thirty (30) days prior to the Closing Date, to the effect that the equity of the Company does not constitute "United States real property interests" under Section 897(c) of the Code along with evidence that the Company has complied with any notice requirement pursuant to U.S. Treasury Regulations Section 1.897-2(h)(2).

(i) **Warrant Cancellation Agreements**. Parent shall have received copies of the Warrant Cancellation Agreements, duly executed by each of the holders of Company Warrants.

(j) **Payment Schedule**. Parent shall have received a spreadsheet (the "***Payment Schedule***"), setting forth (i) the name and email address for each Securityholder, (ii) the wire transfer instructions for each Securityholder, (iii) the number of shares of the Company Common Stock, the number of shares of the Company Preferred Stock, and the number of shares of Company Common Stock underlying each Company Warrant, in each case held by each Securityholder immediately prior to the Closing, (iv) the Ownership Percentage for each Securityholder, and (v) the allocation of the First Milestone Consideration, the Second Milestone Consideration, and the Third Milestone Consideration, in each case among each Securityholder; provided that, Parent shall be entitled to rely on the Payment Schedule, including any update thereto provided to Parent following the Closing, in making payments in cash or stock under this Agreement, and Parent shall (x) not be responsible for the calculations, allocations or the determinations regarding such calculations or allocations in such Payment Schedule (including any update thereto following the Closing) and (y) have no obligation to confirm or otherwise verify such calculations or allocations.

Section 6.03 Conditions to Obligation of the Company. The obligation of the Company to effect the Mergers is also subject to the satisfaction or waiver by the Company on or prior to the Effective Time of the following conditions:

(a) **Representations and Warranties**. (i) The representations and warranties of Parent, Merger Sub and Second Merger Sub (other than in Section 4.01, Section 4.02(a), Section 4.05(b), Section 4.05(c) and Section 4.11) set forth in ARTICLE IV of this Agreement shall be true and correct in all respects (without giving effect to any limitation indicated by the words "material adverse effect," "in all material respects," "in any material respect," "material," or "materially") when made and as of immediately prior to the Effective Time, as if made at and as of such time (except those representations and warranties that address matters only as of a particular date, which shall be true and correct in all respects as of that date), except where the failure of such representations and warranties to be so true and correct would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on Parent's, Merger Sub's and Second Merger Sub's ability to consummate the transactions contemplated by this Agreement; (ii) the representations and warranties of Parent contained in and Section 4.05(b) and Section 4.05(c) shall be true and correct (other than immaterial and *de minimis* inaccuracies) when made and as of immediately prior to the Effective Time, as if made at and as of such time (except those representations and warranties that address matters only as of a particular date, which shall be true and correct as of that date); and (iii) the representations and warranties of Parent, Merger Sub and Second Merger Sub contained in Section 4.01, Section 4.02(a), and Section 4.11 shall be true and correct in all respects when made and as of immediately prior to the Effective Time, as if made at and as of such time (except those representations and warranties that address matters only as of a particular date, which shall be true and correct in all respects as of that date).

(b) **Performance of Covenants**. Parent, Merger Sub and Second Merger Sub shall have performed in all material respects all obligations, and complied in all material respects with the agreements and covenants, of this Agreement required to be performed by or complied with by them at or prior to the Closing.

(c) **Officers Certificate**. The Company shall have received a certificate, signed by an officer of Parent, certifying as to the matters set forth in Section 6.03(a) and Section 6.03(b).

(d) **Company Designees.** The Company Designees shall have been appointed to the board of directors of Parent, effective as of and contingent upon the Effective Time.

(e) **NASDAQ Listing**. The shares of Parent Common Stock issuable to the stockholders of the Company pursuant to Article II and the shares of Parent Common Stock issuable to the stockholders of the Company in connection with the conversion of the Parent Preferred Stock issuable to the stockholders of the Company pursuant Article II shall have been approved for listing on NASDAQ, subject to official notice of issuance.

(f) **Parent Material Adverse Effect**. Since the date of this Agreement there shall not have occurred any Material Adverse Effect with respect to Parent.

Section 6.04 Frustration of Closing Condition. None of Parent, Merger Sub, Second Merger Sub or the Company may rely on the failure of any condition in this Article VI to be satisfied if such failure was caused by such party's breach of this Agreement.

ARTICLE VII
TERMINATION, AMENDMENT, AND WAIVER

Section 7.01 Termination by Mutual Consent. This Agreement may be terminated at any time prior to the Effective Time (whether before or after the receipt of the Requisite Company Vote) by the mutual written consent of Parent, Merger Sub, Second Merger Sub, and the Company.

Section 7.02 Termination by Either Parent or the Company. This Agreement may be terminated by either Parent or the Company at any time prior to the Effective Time (whether before or after the receipt of the Requisite Company Vote):

(a) if the Mergers have not been consummated on or before June 30, 2024 (the "***End Date***"); *provided*, *however*, that the right to terminate this Agreement pursuant to this Section 7.02(a) shall not be available to any party whose breach of any representation, warranty, covenant, or agreement set forth in this Agreement has been the cause of, or resulted in, the failure of the Mergers to be consummated on or before the End Date;

(b) if any Governmental Entity of competent jurisdiction shall have enacted, issued, promulgated, enforced, or entered any Law or Order making illegal, permanently enjoining, or otherwise permanently prohibiting the consummation of the Mergers or the other transactions contemplated by this Agreement, and such Law or Order shall have become final and nonappealable; *provided, however,* that the right to terminate this Agreement pursuant to this Section 7.02(b) shall not be available to any party whose breach of any representation, warranty, covenant, or agreement set forth in this Agreement has been the cause of, or resulted in, the issuance, promulgation, enforcement, or entry of any such Law or Order; or

(c) at Parent's option, upon failure by the Company to obtain the Requisite Company Vote by the Consent Deadline.

Section 7.03 Termination By Parent. This Agreement may be terminated by Parent at any time prior to the Effective Time:

(a) if the Company intentionally and materially breaches or fails to perform any of its obligations set forth in Section 5.03; or

(b) if there shall have been a breach of any representation, warranty, covenant, or agreement on the part of the Company set forth in this Agreement such that the conditions to the Closing of the Mergers set forth in Section 6.02(a) or Section 6.02(b), as applicable, would not be satisfied and, in either such case, such breach is incapable of being cured by the End Date; *provided that* Parent shall have given the Company at least thirty (30) days written notice prior to such termination stating Parent's intention to terminate this Agreement pursuant to this Section 7.03(b); *provided further*, that Parent shall not have the right to terminate this Agreement pursuant to this Section 7.03(b) if Parent, Merger Sub or Second Merger Sub is then in material breach of any representation, warranty, covenant, or obligation hereunder, which breach has not been cured.

Section 7.04 Termination By the Company. This Agreement may be terminated by the Company at any time prior to the Effective Time:

(a) if there shall have been a breach of any representation, warranty, covenant or agreement on the part of Parent, Merger Sub or Second Merger Sub set forth in this Agreement such that the

conditions to the Closing of the Mergers set forth in Section 6.03(a) or Section 6.03(b), as applicable, would not be satisfied and, in either such case, such breach is incapable of being cured by the End Date; *provided, that* the Company shall have given Parent at least thirty (30) days written notice prior to such termination stating the Company's intention to terminate this Agreement pursuant to this Section 7.04(a); *provided further*, that the Company shall not have the right to terminate this Agreement pursuant to this Section 7.04(a) if the Company is then in material breach of any representation, warranty, covenant, or obligation hereunder, which breach has not been cured.

Section 7.05 Notice of Termination; Effect of Termination. The party desiring to terminate this Agreement pursuant to this ARTICLE VII (other than pursuant to Section 7.01) shall deliver written notice of such termination to each other party hereto specifying with particularity the reason for such termination, and any such termination in accordance with this Section 7.05 shall be effective immediately upon delivery of such written notice to the other party. If this Agreement is terminated pursuant to this ARTICLE VII, it shall become void and of no further force and effect, with no liability on the part of any party to this Agreement (or any stockholder, director, officer, employee, agent, or Representative of such party) to any other party hereto, except: (a) with respect to Section 5.02(b), this Section 7.05, and ARTICLE VIII (and any related definitions contained in any such Sections or Article), which shall remain in full force and effect; and (b) with respect to any liabilities or damages incurred or suffered by a party, to the extent such liabilities or damages were the result of fraud or the willful breach by another party of any of its representations, warranties, covenants, or other agreements set forth in this Agreement.

Section 7.06 Amendment. At any time prior to the Effective Time, this Agreement may be amended or supplemented in any and all respects, whether before or after receipt of the Requisite Company Vote, by written agreement signed by each of the parties hereto; *provided, however,* that, following the receipt of the Requisite Company Vote, there shall be no amendment or supplement to the provisions of this Agreement which by Law or in accordance with the rules of any relevant self regulatory organization would require further approval by the holders of Company Common Stock without such approval.

Section 7.07 Extension; Waiver. At any time prior to the Effective Time, Parent, Merger Sub or Second Merger Sub, on the one hand, or the Company, on the other hand, may: (a) extend the time for the performance of any of the obligations of the other party(ies); (b) waive any inaccuracies in the representations and warranties of the other party(ies) contained in this Agreement or in any document delivered under this Agreement; or (c) unless prohibited by applicable Law, waive compliance with any of the covenants, agreements, or conditions contained in this Agreement. Any agreement on the part of a party to any extension or waiver shall be valid only if set forth in an instrument in writing signed by such party. The failure of any party to assert any of its rights under this Agreement or otherwise shall not constitute a waiver of such rights.

ARTICLE VIII
MISCELLANEOUS

Section 8.01 Definitions. For purposes of this Agreement, the following terms shall have the following meanings when used herein with initial capital letters:

"***Acquisition Transaction***" has the meaning set forth in Section 5.03.

"***Adjusted Per Share Value***" means and amount equal to (a) $15,000,000, divided by (b) the Fully Diluted Closing Shares, rounded to the fourth decimal place.

"***Affiliate***" means, with respect to any Person, any other Person that directly or indirectly controls, is controlled by, or is under common control with, such first Person. For the purposes of this definition, "control" (including, the terms "controlling," "controlled by," and "under common control with"), as applied to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of that Person, whether through the ownership of voting securities, by Contract, or otherwise.

"***Agreement***" has the meaning set forth in the Preamble.

"***Anti-Kickback Act***" has the meaning set forth in Section 3.17(a).

"***Book-Entry Share***" has the meaning set forth in Section 2.01(c).

"***Business Day***" means any day, other than Saturday, Sunday, or any day on which banking institutions located in the city of New York, New York, are authorized or required by Law or other governmental action to close.

"***Cancelled Shares***" has the meaning set forth in Section 2.01.

"***Certificate***" has the meaning set forth in Section 2.01(e).

"***Certificate of Merger***" has the meaning set forth in Section 1.04.

"***Change of Control***" means (i) any merger, reorganization, consolidation or combination in which the subject entity is not the surviving corporation, or (ii) any "person" (within the meaning of Sections 13(d) and 14(d)(2) of the Securities Exchange Act of 1934), excluding the subject entity and its Affiliates, is or becomes the beneficial owner, directly or indirectly, of securities of the subject entity representing 50% or more of either (a) the then-outstanding shares of common stock of the subject entity or its parent corporation, or (b) the combined voting power of the subject entity's then outstanding voting securities; or (iii) approval by the shareholders of the subject entity of a complete liquidation or the complete dissolution of the subject entity. Any shares of Parent Capital Stock issued pursuant to the PIPE Financing (including upon exercise of any warrants issued pursuant to the PIPE Financing), any conversion of any Parent Preferred Stock issued pursuant to this Agreement or the PIPE Financing into Parent Common Stock, or the issuance of any Parent Preferred Stock or Parent Common Stock in respect of any warrants issued in the PIPE Financing does not constitute a Change of Control of Parent.

"***Charter Documents***" means with respect to any entity, the articles or certificate of incorporation (including any certificate of designations) and bylaws, certificate of formation and limited liability company agreement, or similar organizational documents of such entity, each as amended to date.

"***Closing***" has the meaning set forth in Section 1.03.

"***Closing Date***" has the meaning set forth in Section 1.03.

"***Closing Parent Share Value***" means the greater of (i) the price per share of Parent Common Stock based on the volume weighted average price per share for the ten (10) trading days ending two (2) trading days prior to the execution of this Agreement, and (ii) the price per share of Parent Common Stock based on dividing $5,000,000.00 by the number of shares of Parent Common Stock outstanding at the close of business on the date that is two (2) trading days prior to the execution of this Agreement.

"***Code***" has the meaning set forth in the Recitals.

"***Commercially Reasonable Efforts***" means, with respect to the achievement of the Second Milestone or the Third Milestone, that level of efforts and resources as of the date such efforts are applied commonly dedicated in the biotechnology or pharmaceutical industry by a similarly situated company and consistent with the exercise of prudent scientific and business judgment, to the development of a product of similar commercial potential at a similar stage in its lifecycle, in each case taking into account issues of safety and efficacy, product profile, the proprietary position, longevity, the then-current competitive environment for such product and the likely timing of such Product's entry into the market, the regulatory environment and status of such Product, and other relevant scientific, technical and commercial factors, the likelihood of regulatory approval given the regulatory structure involved, and whether the product is subject to a clinical or regulatory hold, recall, or market withdrawal and the profitability and commercial potential of the product. Each of the Company and the Securityholders' Representative acknowledge that discontinuation of research, development or commercialization activities with respect to the Product may constitute "Commercially Reasonable Effort."

"***Common Stock Limit***" means the number of shares of Parent Common Stock that represents 19.9% of the shares of Parent Common Stock outstanding as of immediately prior to the Effective Time.

"***Company***" has the meaning set forth in the Preamble.

"***Company Balance Sheet***" has the meaning set forth in Section 3.04(a).

"***Company Board***" has the meaning set forth in the Recitals.

"***Company Board Recommendation***" has the meaning set forth in Section 3.03(d).

"***Company Capital Stock***" means, collectively, the Company Common Stock and the Company Preferred Stock.

"***Company Common Stock***" has the meaning set forth in the Recitals.

"***Company Continuing Employees***" means the employees of the Company and its Subsidiaries who remain employed immediately after the Effective Time.

"***Company Designees***" has the meaning set forth in Section 5.15.

"***Company Disclosure Letter***" has the meaning set forth in the introductory language in ARTICLE III.

"***Company Employee***" has the meaning set forth in Section 3.11(a).

"Company Employee Plan" means each pension, retirement, profit-sharing, deferred compensation, stock option, equity incentive, employee stock ownership, phantom stock, stock appreciation right, restricted stock unit, share purchase, severance pay, vacation, bonus, retention, change in control, or other incentive plan, medical, vision, dental or other health plan, any life insurance plan, death benefit or accident insurance plans, flexible spending account, cafeteria plan (Section 125 of the Code), dependent care (Section 129 of the Code), vacation, holiday, disability, employee relocation, group legal, or any other employee benefit plan or fringe benefit plan, including any "employee benefit plan," as that term is defined in Section 3(3) of ERISA and any other plan, fund, policy, program, practice or arrangement providing compensation or other benefits of the Company or its Subsidiaries, or with respect to which the Company or any of its Subsidiaries has any liability (including on account of any Company ERISA Affiliate).

"***Company ERISA Affiliate***" means all employers, trades, or businesses (whether or not incorporated) that would be treated together with the Company or any of its Affiliates as a "single employer" within the meaning of Section 414 of the Code.

"***Company IP***" has the meaning set forth in Section 3.07.

"***Company Leases***" has the meaning set forth in Section 3.12(a).

"***Company License"*** has the meaning set forth in Section 3.07(a).

"***Company Licensed IP***" means Company IP that is licensed to the Company or any of its Subsidiaries, excluding (a) off-the-shelf software and software that is generally available for license on a mass market commercial basis pursuant to a standard form agreement that is not subject to negotiation for annual fees that do not exceed $20,000, and (b) other software that is not material to the conduct of the business of the Company or any of its Subsidiaries and can be readily replaced for $50,000 or less with software that provides substantially the same features, functionalities and overall performance.

"***Company Restricted Stock***" means a share of Company Common Stock subject to a risk of forfeiture or repurchase by the Company, whether or not granted under an equity incentive plan.

"***Company Material Contract***" has the meaning set forth in Section 3.14(a).

"***Company Securities***" has the meaning set forth in Section 3.02(d).

"***Company Stock Plan***" means the Company Stock Incentive Plan, as amended and/or restated to date.

"***Company Subsidiary Securities***" has the meaning set forth in Section 3.02(f).

"***Company Voting Debt***" has the meaning set forth in Section 3.02(e).

"***Company Warrant***" means any warrant to purchase Company Common Stock outstanding as of immediately prior to the Effective Time.

"***Confidentiality Agreement***" has the meaning set forth in Section 5.02(b).

"***Consent***" has the meaning set forth in Section 3.03(c).

"***Consent Deadline***" means twenty-four (24) hours after the execution and delivery of this Agreement by the Company.

"***Contingent Consideration***" means collectively, the First Milestone Consideration, the Second Milestone Consideration, and the Third Milestone Consideration.

"***Contracts***" means any contracts, agreements, licenses, notes, bonds, mortgages, indentures, leases, or other binding instruments or binding commitments, whether written or oral.

"***Conversion Ratio***" means an amount equal to 1,000, representing the number of shares of Parent Common Stock into which each share of Parent Preferred Stock is convertible.

"***DGCL***" has the meaning set forth in the Recitals.

"***Dissenting Shares***" has the meaning set forth in Section 2.03(a).

"***Divestiture***" (and other correlative terms) means any transaction in which the Product and the associated intellectual property assets related to any Product are divested or transferred by way of merger, consolidation, asset acquisition or sale, exercised option, purchase, sale, assignment or other similar transfer.

"***DLLC***" has the meaning set forth in the Recitals.

"***Effective Time***" has the meaning set forth in Section 1.04.

"***End Date***" has the meaning set forth in Section 7.02(a).

"***Environmental Claims***" has the meaning set forth in Section 3.13.

"***Environmental Laws***" has the meaning set forth in Section 3.13.

"***ERISA***" means the U.S. Employee Retirement Income Security Act of 1974, as amended.

"***Ex-Im Laws***" means all U.S. and non-U.S. Laws relating to export, re-export, transfer, and import controls, including the Export Administration Regulations, the customs and import Laws administered by U.S. Customs and Border Protection, and the EU Dual Use Regulation.

"***Exchange Act***" has the meaning set forth in Section 4.02(c).

"***Exchange Agent***" has the meaning set forth in Section 2.02.

"***Exchange Ratio***" means the quotient of the Adjusted Per Share Value divided by the Closing Parent Share Value.

"***FCPA***" has the meaning set forth in Section 3.17(a).

"***FDA***" means the U.S. Food and Drug Administration.

"***First Merger***" has the meaning in the Recitals.

"***First Milestone Consideration***" has the meaning in Section 2.08(a).

"***First-Step Surviving Company***" has the meaning set forth in Section 1.02.

"***Fully Diluted Closing Shares***" means the total number of shares of Company Capital Stock issued and outstanding immediately prior to the Effective Time,*inclusive* of (a) Company Common Stock issued or issuable upon conversion of any shares of Company Preferred Stock, convertible notes or warrants issued by the Company

that are convertible as a result of the consummation of the Mergers and (b) Dissenting Shares and*exclusive* of Cancelled Shares.

"***GAAP***" has the meaning set forth in Section 3.04(a).

"***Governmental Entity***" has the meaning set forth in Section 3.03(c).

"***Hazardous Substance***" means any substance, material or waste that is listed, defined, designated or classified as hazardous, toxic, radioactive or a "pollutant" or "contaminant" or words of similar meaning under any Environmental Law, including without limitation any petroleum or petroleum-derived products, radon, radioactive materials or wastes, asbestos in any form, lead or lead-containing materials, urea formaldehyde, foam insulation, and polychlorinated biphenyls.

"***Immediate Family***" means, with respect to any individual, such individual's spouse or domestic partner, parents, grandparents, children, grandchildren, and siblings, including adoptive relationships and relationships through marriage, or any other relative of such individual that shares such individual's home.

"***Indemnified Party***" has the meaning set forth in Section 5.09(a).

"***Intellectual Property Rights***" has the meaning set forth in Section 3.07(b).

"***IRS***" means the United States Internal Revenue Service.

"***Knowledge***" means: (a) with respect to the Parent and its Subsidiaries, the actual knowledge of Garry Neil and Christopher Sullivan; and (b) with respect to the Company and its Subsidiaries, the actual knowledge of Patrick Crutcher, Justin DiMartino, and Tatyana Touzova; in each case of (a) and (b), after due inquiry to their direct reports.

"***Laws***" means any federal, state, local, municipal, foreign, multi-national or other laws, common law, statutes, constitutions, ordinances, rules, regulations, codes, Orders, or legally enforceable requirements enacted, issued, adopted, promulgated, enforced, ordered, or applied by any Governmental Entity.

"***Legal Action***" means any legal, administrative, arbitral, or other proceedings, suits, actions, investigations, examinations, claims, audits, hearings, charges, complaints, indictments, litigations, or examinations.

"***Liability***" means any liability, indebtedness, or obligation of any kind (whether accrued, absolute, contingent, matured, unmatured, determined, determinable, or otherwise, and whether or not required to be recorded or reflected on a balance sheet under GAAP).

"***Liens***" means, with respect to any property or asset, all pledges, liens, mortgages, charges, encumbrances, hypothecations, options, rights of first refusal, rights of first offer, and security interests of any kind or nature whatsoever.

"***Lock-up Period***" means, with respect to the Stock Consideration, the period of six (6) months after the Closing Date, and with respect to any Contingent Consideration that is paid in the form of stock pursuant to this Agreement, the period of six (6) months after the date of issuance of such Contingent Consideration.

"***Lock-up Shares***" means any shares of Parent Common Stock and any shares of Parent Preferred Stock issued to any Securityholder pursuant to this Agreement.

"***Material Adverse Effect***" means, with respect to any Person, any event, occurrence, fact, condition, or change that has, or would be reasonably expected to have, individually or in the aggregate, (a) a material adverse effect on such Person's ability to consummate the transactions contemplated by this Agreement, or (b) a material adverse effect on the business, results of operations, financial condition, or assets of such Person and its Subsidiaries, taken as a whole; *provided, however,* that for purposes of clause (b), a Material Adverse Effect shall not be deemed to include events, occurrences, facts, conditions or changes arising out of, relating to, or resulting from: (i) changes generally affecting the economy, financial, or securities markets, including effects on the economy or such markets resulting from any regulatory and political conditions or developments in general; (ii) the announcement or the pendency of the transactions contemplated by this Agreement; (iii) any change in the market price or trading volume of the securities of such Person (but the underlying cause of such change shall be taken into account in determining whether a Material Adverse Effect has occurred or would reasonably be expected to occur);

(iv) acts of war or terrorism (or the escalation of the foregoing) or natural disasters, acts of God or other force majeure events, or epidemics, pandemics or disease outbreaks (or the worsening of the foregoing), or declaration of martial law, or quarantine or similar directives or policies or other action taken by a Governmental Entity in response thereto; (v) change in any Laws or regulations applicable to such Person or its Subsidiaries or applicable accounting regulations or principles or the interpretation thereof; (vi) any legal proceedings commenced by or involving any current or former stockholder of such Person arising out of or related to this Agreement or the transactions contemplated hereby; (vii) any failure of such Person or its Subsidiaries to meet any internal or external projections, forecasts or estimates of revenues, earnings or other financial or operating metrics for any period (but the underlying cause of such failure shall be taken into account in determining whether a Material Adverse Effect has occurred or would reasonably be expected to occur); or (viii) general conditions in the industry in which such Person and its Subsidiaries operate, including effects on such industries resulting from any regulatory and political conditions or developments in general; *provided further*, however, that any event, change, and effect referred to in clauses (i), (iv), (v) or (viii) immediately above shall be taken into account in determining whether a Material Adverse Effect has occurred or would reasonably be expected to occur to the extent that such event, change, or effect has a disproportionate effect on such Person and its Subsidiaries, taken as a whole, compared to other participants of similar size operating in the industries in which such Person and its Subsidiaries conduct their businesses.

"***Materials of Environmental Concern***" has the meaning set forth in Section 3.13.

"***Maximum Premium***" has the meaning set forth in Section 5.09(c).

"***Mergers***" has the meaning set forth in the Recitals.

"***Merger Consideration***" means the Stock Consideration and, to the extent if any, the Contingent Consideration.

"***Merger Sub***" has the meaning set forth in the Preamble.

"***NASDAQ***" means The NASDAQ Capital Market.

"***Order***" has the meaning set forth in Section 3.09.

"***Ownership Percentage***" means, with respect to each Securityholder, the quotient of (a) the aggregate number of shares of Fully Diluted Closing Shares held by such Securityholder immediately before the Closing, divided by (b) the Fully Diluted Closing Shares.

"***Parent***" has the meaning set forth in the Preamble.

"***Parent Benefit Plans***" has the meaning set forth in Section 5.08.

"***Parent Board"*** means the Board of Directors of Parent.

"***Parent Capital Stock***" means, collectively, Parent Common Stock and Parent Preferred Stock.

"***Parent Common Stock***" means the common stock, par value $0.001 per share, of Parent.

"***Parent Disclosure Letter***" has the meaning set forth in the introductory language in ARTICLE IV.

"***Parent Employee Plan***" means each pension, retirement, profit-sharing, deferred compensation, stock option, equity incentive, employee stock ownership, phantom stock, stock appreciation right, restricted stock unit, share purchase, severance pay, vacation, bonus, retention, change in control, or other incentive plan, medical, vision, dental or other health plan, any life insurance plan, death benefit or accident insurance plans, flexible spending account, cafeteria plan (Section 125 of the Code), dependent care (Section 129 of the Code), vacation, holiday, disability employee relocation, group legal, or any other employee benefit plan or fringe benefit plan, including any "employee benefit plan," as that term is defined in Section 3(3) of ERISA and any other plan, fund, policy, program, practice or arrangement providing compensation or other benefits of the Parent or its Subsidiaries, or with respect to which the Parent or any of its Subsidiaries has any liability (including on account of any Parent ERISA Affiliate).

"***Parent ERISA Affiliate***" means all employers, trades, or businesses (whether or not incorporated) that would be treated together with the Parent or any of its Affiliates as a "single employer" within the meaning of Section 414 of the Code.

"***Parent IP***" has the meaning set forth in Section 4.09(b).

"***Parent License***" means any license or other agreement governing, or pursuant to which Parent or any of its Subsidiaries was licensed or granted any material Parent Licensed IP.

"***Parent Licensed IP***" means Parent IP that is licensed to Parent or any of its Subsidiaries, excluding (a) off-the-shelf software and software that is generally available for license on a mass market commercial basis pursuant to a standard form agreement that is not subject to negotiation for annual fees that do not exceed $20,000, and (b) other software that is not material to the conduct of the business of Parent or any of its Subsidiaries and can be readily replaced for $50,000 or less with software that provides substantially the same features, functionalities and overall performance.

"***Parent Preferred Stock***" means a series of non-voting convertible preferred stock of Parent having the terms and conditions set forth in the form of the Certificate of Designation.

"***Parent Securities"*** has the meaning set forth in Section 4.05(c).

"***Parent SEC Reports***" means all reports, schedules, forms, statements, prospectuses, and other documents required to be filed or furnished by Parent with the SEC.

"***Parent Stock Plan***" means the Parent's Third Amended and Restated 2016 Equity Incentive Plan, as amended and/or restated to date.

"***Parent Stockholder Approval***" has the meaning set forth in Section 5.04.

"***Parent Stockholders Meeting***" has the meaning set forth in Section 5.04.

"***Parent Subsidiary Securities***" has the meaning set forth in Section 4.05(e).

"***Parent Voting Debt***" has the meaning set forth in Section 4.05(d).

"***Parent Warrant***" has the meaning set forth in Section 4.05(d) .

"***Payment Fund***" has the meaning set forth in Section 2.02.

"***Permits***" has the meaning set forth in Section 3.08(b).

"***Permitted Liens***" means: (a) statutory Liens for current Taxes or other governmental charges not yet due and payable or the amount or validity of which is being contested in good faith through appropriate proceedings and for which adequate reserves have been established on the Company Balance Sheet and related financial statements for the period then; and (b) mechanics', carriers', workers', repairers', and similar statutory Liens arising or incurred in the ordinary course of business for amounts which are not delinquent or which are being contested by appropriate proceedings.

"***Per Share Parent Stock Consideration***" means the sum of (a) a fraction of a share of Parent Common Stock equal to the Exchange Ratio multiplied by the Stock Ratio, and (b) a fraction of a share of Parent Preferred Stock equal to (1) the difference of (A) the Exchange Ratio minus (B) the resulting product in clause (a) of this definition, divided by (2) the Conversion Ratio.

"***Person***" means any individual, corporation, limited or general partnership, limited liability company, limited liability partnership, trust, association, joint venture, Governmental Entity, or other entity or group (which term shall include a "group" as such term is defined in Section 13(d)(3) of the Exchange Act).

"***Phase 2 Trial***" means a human clinical trial that would satisfy the requirements of U.S. 21 C.F.R. § 312.21(b), as amended from time to time, or a comparable clinical trial prescribed by the relevant Regulatory

Authority in a country other than the United States. For the avoidance of doubt, a Phase 2 Trial includes a clinical trial identified as a Phase 1/2, 2a, 2b, 2a/2b or 2/3 trial.

"***Phase 3 Trial***" means a human clinical trial that would satisfy U.S. 21 C.F.R. § 312.21(c), as amended from time to time, or a comparable clinical trial prescribed by the relevant Regulatory Authority in a country other than the United States.

"***PIPE Financing***" has the meaning set forth in Section 5.13.

"***PIPE Financing Amount***" has the meaning set forth in Section 5.13.

"***Preferred Stock Merger Amount***" means the number of shares of Parent Preferred Stock equal to (a) the result of (1) the Exchange Ratio multiplied by the Fully Diluted Closing Shares, minus (2) the Common Stock Limit, divided by (b) the Conversion Ratio.

"***Pre-Closing Period***" has the meaning set forth in Section 5.03.

"***Product***" means any pharmaceutical composition or product containing or comprising any of the following, in any form or formulation: (i) the IL-1β antibodies designated as AVTX-009, as further described in Annex I attached hereto, and including, without limitation, any fragment, variant, modification or derivative of any antibody described in (i) or any pharmaceutical composition or product that includes as a component thereof any of such antibody described in (i), or (ii) any nucleic acid consisting of a sequence of nucleotides encoding (or complementary to a nucleic acid encoding) any one of the molecules described in the preceding clauses (i) or (ii).

"***Regulatory Authority***" means the FDA and any other federal, state or foreign agencies or bodies engaged in the regulation of pharmaceutical and biopharmaceutical products to permit the research, design, development, preclinical and clinical testing, production, manufacture, transfer, storage, labeling, marketing, sale, distribution and promotion of such products in any applicable jurisdiction.

"***Related Party***" means (a) any Affiliate of the Company or any of its Subsidiaries, or any manager, director, executive officer, general partner or managing member of such Affiliate, (b) any officer, manager or director of the Company or any of its Subsidiaries, (c) any Immediate Family member of a Person described in clause (b), or (d) any other Person who holds, individually or together with any Affiliate of such other Person and any member(s) of such Person's Immediate Family, more than five percent (5%) of the outstanding Company Securities.

"***Representatives***" means directors, officers, employees, investment bankers, attorneys, accountants, consultants, or other agents or advisors.

"***Requisite Company Vote***" has the meaning set forth in Section 3.03(a).

"***Sanctioned Country***" means any country or region that is, or has been in the last five (5) years, the subject or target of sanctions or restrictions under sanctions Laws (including, without limitation, Cuba, Iran, North Korea, Russia, Venezuela, Sudan, Syria, and the Crimea region of Ukraine).

"***Sanctioned Person***" means any Person that is the subject or target of sanctions or restrictions under sanctions Laws or Ex-Im Laws, including: (a) any Person listed on any applicable United States or non-United States sanctions- or export-related restricted party list, including the U.S. Department of the Treasury Office of Foreign Assets Control's Specially Designated Nationals and Blocked Persons List and the EU Consolidated List; (b) any entity that is, in the aggregate, fifty percent (50%) or greater owned, directly or indirectly, or otherwise controlled by a Person or Persons described in clause (a); or (c) any national of a Sanctioned Country.

"***Sarbanes-Oxley Act***" means the Sarbanes-Oxley Act of 2002 (including the rules and regulations promulgated thereunder.

"***SEC***" means the Securities and Exchange Commission.

"***Second Effective Time***" has the meaning set forth in Section 1.04(b).

"***Second Merger***" has the meaning set forth in the Recitals.

"***Second Merger Sub***" has the meaning set forth in the Preamble.

"***Second Milestone***" means the first dosing of the first patient in a Phase 2 Trial of the Product for the indication of hidradenitis suppurativa (HS),including, for the avoidance of doubt, any level of severity thereof (e.g., mild, moderate, or severe), whether achieved by or on behalf of Parent or any of its affiliates, (sub)licensees, successors, transferees or assignees.

"***Second Milestone Consideration***" means the amount of $5,000,000 payable either in cash or Parent Capital Stock as determined pursuant to Section 2.08.

"***Second Milestone Date***" means the date on which the Second Milestone is achieved.

"***Securities Act***" means the Securities Act of 1933, as amended.

"***Securityholders' Representative***" has the meaning set forth in the Preamble.

"***Securityholders' Representative***" has the meaning set forth in the Preamble.

"***Stock Consideration***" means the aggregate Per Share Parent Stock Consideration issuable hereunder.

"***Stock Ratio***" means the quotient obtained by dividing (a) the Common Stock Limit by (b) the sum of (1) the Preferred Stock Merger Amount multiplied by the Conversion Ratio, plus (2) the Common Stock Limit.

"***Subsidiary***" of a Person means a corporation, partnership, limited liability company, or other business entity of which a majority of the shares of voting securities is at the time beneficially owned, or the management of which is otherwise controlled, directly or indirectly, through one or more intermediaries, or both, by such Person.

"***Surviving Company***" has the meaning set forth in Section 1.02.

"***Tail Policy***" has the meaning set forth in Section 5.09(c).

"***Tax***" and "***Taxes***" mean any and all U.S. federal, state and local and non-U.S. income, gross receipts, sales, use, production, ad valorem, transfer, franchise, registration, profits, license, lease, service, service use, withholding, imputed underpayment, payroll, employment, unemployment, estimated, excise, severance, environmental, stamp, occupation, premium, property (real or personal), real property gains, windfall profits, escheat, unclaimed or abandoned property, customs, duties or other taxes, fees, assessments, or charges of any kind whatsoever, together with any interest, additions, or penalties with respect thereto and any interest in respect of such additions or penalties.

"***Tax Return***" means any return (including any information return), report, statement, declaration, claims for refund, estimate, schedule, notice, notification, form, election, certificate or other document or information, and any amendment or supplement to any of the foregoing, filed or required to be filed with any Governmental Entity or otherwise prepared in connection with the determination, assessment, collection or payment of any Tax or in connection with the administration, implementation, or enforcement of or compliance with any Law relating to any Tax.

"***Third Milestone***" means the first dosing of the first patient in a Phase 3 Trial of the Product, whether achieved by or on behalf of Parent or any of its affiliates, (sub)licensees, successors, transferees or assignees.

"***Third Milestone Consideration***" means the amount of $15,000,000 payable either in cash or Parent Capital Stock as determined pursuant to Section 2.08.

"***Third Milestone Date***" means the date on which the Third Milestone is achieved.

"***Trade Control Laws***" has the meaning set forth in Section 3.17(b).

"***Trading Day***" means a day on which NASDAQ is open for trading.

"***Transfer***" means any direct or indirect sale, exchange, transfer, or assignment (including a pledge or other grant of a security interest), whether voluntary or involuntary.

"***Treasury Regulations***" means the final and temporary regulations promulgated by the U.S. Department of the Treasury under the Code.

"***U.S.***" means the United States.

"***Warrant Cancellation Agreements***" has the meaning set forth in Section 2.06(a).

Section 8.02 Interpretation; Construction.

(a) The table of contents and headings herein are for convenience of reference only, do not constitute part of this Agreement and shall not be deemed to limit or otherwise affect any of the provisions hereof. Where a reference in this Agreement is made to a Section, Exhibit, Article, or Schedule, such reference shall be to a Section of, Exhibit to, Article of, or Schedule of this Agreement unless otherwise indicated. Unless the context otherwise requires, references herein: (i) to an agreement, instrument, or other document means such agreement, instrument, or other document as amended, supplemented, and modified from time to time to the extent permitted by the provisions thereof; and (ii) to a statute or any other Laws means such statute or other Laws as amended from time to time and includes any successor legislation or other Laws thereto and any regulations promulgated thereunder. Whenever the words "include," "includes," or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation," and the word "or" is not exclusive. The word "extent" in the phrase "to the extent" means the degree to which a subject or other thing extends, and does not simply mean "if." A reference in this Agreement to $ or dollars is to U.S. dollars. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. The words "hereof," "herein," "hereby," "hereto," and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. References to "this Agreement" shall include the Company Disclosure Letter.

(b) The parties have participated jointly in negotiating and drafting this Agreement. This Agreement is the result of negotiations between, and has been reviewed by, the parties and their respective legal counsel. In the event that an ambiguity or a 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 party by virtue of the authorship of any provision of this Agreement.

Section 8.03 Survival. None of the representations and warranties contained in this Agreement or in any instrument delivered under this Agreement shall survive the Effective Time. This Section 8.03 does not limit any covenant or agreement of the parties contained in this Agreement which, by its terms, contemplates performance after the Effective Time. The Confidentiality Agreement shall survive termination of this Agreement in accordance with its terms. Notwithstanding anything to the contrary herein, nothing in this Agreement shall limit any party's rights in the event of fraud by another party.

Section 8.04 Governing Law. This Agreement, and all Legal Actions (whether based on contract, tort, or statute) arising out of or relating to this Agreement or the actions of any of the parties hereto in the negotiation, administration, performance, or enforcement hereof, shall be governed by and construed in accordance with the internal laws of the Delaware without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of Laws of any jurisdiction other than those of the State of Delaware.

Section 8.05 Submission to Jurisdiction. Each of the parties hereto irrevocably agrees that any Legal Action with respect to this Agreement and the rights and obligations arising hereunder, or for recognition and enforcement of any judgment in respect of this Agreement and the rights and obligations arising hereunder brought by any other party hereto or its successors or assigns shall be brought and determined exclusively in the State of Delaware, or in the event (but only in the event) that such court does not have subject matter jurisdiction over such Legal Action, in any state or federal court located within the State of Delaware. Each of the parties hereto agrees that mailing of process or other papers in connection with any such Legal Action in the manner provided in Section 8.07 or in such other manner as may be permitted by applicable Laws, shall be valid and sufficient service thereof. Each of the parties hereto hereby irrevocably submits with regard to any such Legal Action for itself and in respect of its property, generally and unconditionally, to the personal jurisdiction of the aforesaid courts and agrees that it shall not bring any action relating to this Agreement or any of the transactions contemplated by this Agreement in any court or tribunal other than the aforesaid courts. Each of the parties hereto hereby irrevocably waives, and agrees not to assert, by way of motion, as a defense, counterclaim, or otherwise, in any Legal Action with respect to this Agreement and the rights and obligations arising hereunder, or for recognition and enforcement of any judgment in respect of this Agreement and the rights and obligations arising hereunder: (a) any claim that it is not personally subject to the jurisdiction of the above named courts for any reason other than the failure to serve process in

accordance with this Section 8.05; (b) any claim that it or its property is exempt or immune from jurisdiction of any such court or from any legal process commenced in such courts (whether through service of notice, attachment prior to judgment, attachment in aid of execution of judgment, execution of judgment or otherwise); and (c) to the fullest extent permitted by the applicable Law, any claim that (i) the suit, action, or proceeding in such court is brought in an inconvenient forum, (ii) the venue of such suit, action, or proceeding is improper, or (iii) this Agreement, or the subject matter hereof, may not be enforced in or by such courts.

Section 8.06 Waiver of Jury Trial. EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND, THEREFORE, EACH SUCH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LEGAL ACTION ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT. EACH PARTY TO THIS AGREEMENT CERTIFIES AND ACKNOWLEDGES THAT: (A) NO REPRESENTATIVE OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT SEEK TO ENFORCE THE FOREGOING WAIVER IN THE EVENT OF A LEGAL ACTION; (B) SUCH PARTY HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER; (C) SUCH PARTY MAKES THIS WAIVER VOLUNTARILY; AND (D) SUCH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS Section 8.06.

Section 8.07 Notices. All notices, requests, consents, claims, demands, waivers, and other communications hereunder shall be in writing and shall be deemed to have been given: (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by email of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next Business Day if sent after normal business hours of the recipient; or (d) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 8.07):

If to Parent, Merger Sub or Second Merger Sub, to:	Avalo Therapeutics, Inc. 1500 Liberty Ridge Drive, Suite 321 Wayne, PA 19087 Attention: E-mail: ***
with a copy (which will not constitute notice to Parent, Merger Sub or Second Merger Sub) to:	Wyrick Robbins Yates & Ponton LLP 4101 Lake Boone Trail Suite 300 Raleigh, North Carolina 27607 Attention: Don Reynolds and David Creekman E-mail: ***
If to the Company, to:	AlmataBio, Inc. 650 Ponce De Leon Avenue Ste. 300 #1489 Atlanta, Georgia 30308 Attention: Patrick J. Crutcher Email: ***
With a copy (which will not constitute notice to the Company) to:	Goodwin Procter LLP One Commerce Square 2005 Market Street, 32nd Floor Philadelphia, PA 19103 Attention: Abraham J. Kwon and Laura Gulick E-mail: ***
If to the Securityholders' Representative:	Attention: Patrick J. Crutcher Email: ***

or to such other Persons, addresses or facsimile numbers as may be designated in writing by the Person entitled to receive such communication as provided above.

Section 8.08 Entire Agreement. This Agreement (including the Exhibits to this Agreement), the Company Disclosure Letter and the Confidentiality Agreement constitute the entire agreement among the parties with respect to the subject matter of this Agreement and supersede all other prior agreements and understandings, both written and oral, among the parties to this Agreement with respect to the subject matter of this Agreement. In the event of any inconsistency between the statements in the body of this Agreement, the Confidentiality Agreement, and the Company Disclosure Letter (other than an exception expressly set forth as such in the Company Disclosure Letter), the statements in the body of this Agreement shall control.

Section 8.09 No Third-Party Beneficiaries. Except as provided in Section 5.09 hereof (which shall be to the benefit of the parties referred to in such section), this Agreement is for the sole benefit of the parties hereto and their permitted assigns and respective successors and nothing herein, express or implied, is intended to or shall confer upon any other Person or entity any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of this Agreement.

Section 8.10 Severability. If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal, or unenforceable, the parties hereto shall 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 greatest extent possible.

Section 8.11 Assignment. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. None of Parent, Merger Sub or Second Merger Sub, on the one hand, or the Company on the other hand, may assign its rights or obligations hereunder without the prior written consent of the other party (Parent in the case of Parent, Merger Sub and Second Merger Sub), which consent shall not be unreasonably withheld, conditioned, or delayed. No assignment shall relieve the assigning party of any of its obligations hereunder.

Section 8.12 Remedies. Except as otherwise provided in this Agreement, any and all remedies expressly conferred upon a party to this Agreement shall be cumulative with, and not exclusive of, any other remedy contained in this Agreement, at Law, or in equity. The exercise by a party to this Agreement of any one remedy shall not preclude the exercise by it of any other remedy.

Section 8.13 Specific Performance. The parties hereto agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the parties shall be entitled to an injunction or injunctions to prevent breaches or threatened breaches of this Agreement or to enforce specifically the performance of the terms and provisions hereof in any federal court located in the State of Delaware or any Delaware state court, in addition to any other remedy to which they are entitled at Law or in equity.

Section 8.14 Counterparts; Effectiveness. This Agreement may be executed in any number of counterparts, all of which shall be one and the same agreement. This Agreement shall become effective when each party to this Agreement shall have received counterparts signed by all of the other parties.

Section 8.15 Securityholders' Representative.

(a) The Securityholders' Representative is hereby constituted and appointed as the representative, agent and attorney-in-fact for the Securityholders, with full power and authority in the name of and for and on behalf of each Securityholder, to serve as the Securityholders' Representative under this Agreement and the other agreements contemplated hereby and to exercise the power and authority to act on behalf of, and in the name of, each Securityholder with respect to all matters relating to this Agreement or such other agreements, and the transactions contemplated hereunder or thereunder; provided that, with respect to the matters set forth in Section 2.08 (and any matters directly related thereto) the Securityholders' Representative shall act in accordance the vote of the holders of the majority of shares of Company Capital Stock as of immediately prior to the Effective Time. Without limiting the generality of the foregoing, the Securityholders' Representative is hereby granted the power and authority by each Securityholder to negotiate and enter into amendments to this Agreement and the other agreements contemplated hereby for the Securityholders' Representative and on behalf of each such Securityholder, to act on each Securityholder's behalf in any dispute, litigation or arbitration involving this Agreement or such other agreements or any document delivered to the Securityholders' Representative in such capacity pursuant hereto or thereto, and to do or refrain from doing all such further acts and things, and execute all such documents, as the

Securityholders' Representative shall deem necessary or appropriate in connection with the transactions contemplated hereby.

(b) The Securityholders' Representative shall not be liable for any act done or omitted hereunder in connection with the acceptance, performance, or administration of the Securityholders' Representative's duties hereunder, except with respect to the Securityholders' Representative's actual fraud or bad faith, and for this purpose any act done or omitted pursuant to the advice of counsel shall be conclusive evidence of the absence of fraud and bad faith. The Securityholders will jointly and severally indemnify the Securityholders' Representative and hold the Securityholders' Representative harmless against any loss, liability, or expense incurred by the Securityholders' Representative (other than as a direct result of the Securityholders' Representative's own actual fraud or bad faith) on the Securityholders' Representative's part arising out of or in connection with the acceptance, performance, or administration of the Securityholders' Representative's duties hereunder. None of Parent, Merger Sub, Second Merger Sub or the Company will have any Liability to any Securityholder for any action taken by Parent, Merger Sub, Second Merger Sub or the Company in accordance with the instructions of the Securityholders' Representative.

[SIGNATURE PAGE FOLLOWS**]**

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

AVALO THERAPEUTICS, INC.

By: /s/ Garry A. Neil
Name: Garry A. Neil
Title: Chief Executive Officer

PROJECT ATHENS MERGER SUB, INC.

By: /s/ Garry A. Neil
Name: Garry A. Neil
Title: Chief Executive Officer

SECOND PROJECT ATHENS MERGER SUB, LLC

By: /s/ Garry A. Neil
Name: Garry A. Neil
Title: Chief Executive Officer

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

ALMATABIO, INC.

By: /s/ Patrick J. Crutcher
Name: Patrick J. Crutcher
Title: Chief Executive Officer and President

[*Signature Page to the Merger Agreement*]

Exhibit A

Form of Certificate of Designation

Exhibit B

Form of Warrant Cancellation Agreement

Annex I
Definition of “Product”

CERTIFICATE OF DESIGNATION
OF
SERIES C NON-VOTING CONVERTIBLE PREFERRED STOCK
OF
AVALO THERAPEUTICS, INC.

Pursuant to Section 151 of the
Delaware General Corporation Law

Avalo Therapeutics, Inc., a Delaware corporation (the " ***Corporation***"), in accordance with the provisions of Section 103 of the Delaware General Corporation Law (the "***DGCL***") does hereby certify that, in accordance with Sections 141(c) and 151 of the DGCL, the following resolution was duly adopted by the Board of Directors of the Corporation (the "***Board***") effective on March 26, 2024:

RESOLVED, that pursuant to the authority granted to and vested in the Board in accordance with the provisions of the Certificate of Incorporation of the Corporation, as amended (the "***Certificate of Incorporation***"), the Board hereby, pursuant to and upon the terms and conditions set forth in the Merger Agreement and the Securities Purchase Agreement, establishes a series of the Corporation's authorized preferred stock, par value $0.001 per share (the "***Preferred Stock***"), which series is designated as the Series C Non-Voting Convertible Preferred Stock, par value $0.001 per share, of the Corporation, with the designation, number of shares, powers, preferences, rights, qualifications, limitations and restrictions thereof (in addition to any provisions set forth in the Certificate of Incorporation that are applicable to the Preferred Stock of all classes and series) as follows:

SERIES C NON-VOTING CONVERTIBLE PREFERRED STOCK

SECTION 1. DEFINITIONS. For the purposes hereof, the following terms shall have the following meanings:

"***Business Day***" means any day except Saturday, Sunday, any day which shall be a federal legal holiday in the United States or any day on which banking institutions in the State of New York are authorized or required by law or other governmental action to close.

"***Close of Business***" means 5:00 p.m., New York City time.

"***Commission***" means the United States Securities and Exchange Commission.

"***Common Stock***" means the Corporation's common stock, par value $0.001 per share, and stock of any other class of securities into which such securities may hereafter be reclassified or changed.

"***Conversion Shares***" means, collectively, the shares of Common Stock issuable upon conversion of the shares of Series C Preferred Stock in accordance with the terms hereof.

"***DGCL***" means the Delaware General Corporation Law.

"***Exchange Act***" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"***Holder***" means any holder of shares of Series C Preferred Stock.

"***Initial Stated Value***" means $5,796.933422 per share of Series C Preferred Stock.

"***Merger Agreement***" means the Agreement and Plan of Merger and Reorganization, dated as of March 27, 2024, by and among the Corporation, Project Athens Merger Sub, Inc., a Delaware corporation and a wholly owned subsidiary of the Corporation, Second Project Athens Merger Sub, LLC, a Delaware

limited liability company and a wholly owned subsidiary of the Corporation, AlmataBio, Inc. (the " ***Almata***"), a Delaware corporation, and Patrick Crutcher, solely in his capacity as the representative agent and attorney-in-fact of the holders of securities in the Almata, as may be amended from time to time.

"***Person***" means any 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.

"***Securities Act***" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"***Securities Purchase Agreement***" means the Securities Purchase Agreement, dated March 27, 2024, by and among the Issuer and parties thereto.

"***Stated Value***" means the Initial Stated Value of each share of Series C Preferred Stock as adjusted pursuant to the terms of the Certificate of Designation, as of the applicable date.

"***Trading Day***" means a day on which the principal Trading Market is open for business.

"***Trading Market***" means any of the following markets or exchanges on which the Common Stock is listed or quoted for trading on the date in question: the NYSE American, the Nasdaq Capital Market, the Nasdaq Global Market, the Nasdaq Global Select Market, or the New York Stock Exchange (or any successors to any of the foregoing).

SECTION 2. DESIGNATION, AMOUNT AND PAR VALUE; ASSIGNMENT.

(a) The series of preferred stock designated by this Certificate of Designation shall be designated as the Corporation's "Series C Non-Voting Convertible Preferred Stock" (the "***Series C Preferred Stock***") and the number of shares so designated shall be 34,326. Each share of Series C Preferred Stock shall have a par value of $0.001 per share.

(b) The Corporation shall register shares of the Series C Preferred Stock, upon records to be maintained by the Corporation for that purpose (the "***Series C Preferred Stock Register***"), in the name of the Holders thereof from time to time. The Corporation may deem and treat the registered Holder of shares of Series C Preferred Stock as the absolute owner thereof for the purpose of any conversion thereof and for all other purposes.

SECTION 3. DIVIDENDS. Holders shall be entitled to receive, and the Corporation shall pay, dividends on shares of the Series C Preferred Stock (on an as-if-converted-to-Common-Stock basis, without regard to the Beneficial Ownership Limitation) equal to and in the same form, and in the same manner, based on the then-current Conversion Ratio as dividends (other than dividends in the form of Common Stock) actually paid on shares of the Common Stock when, as and if such dividends (other than dividends in the form of Common Stock) are paid on shares of the Common Stock. Other than as set forth in the previous sentence, no other dividends shall be paid on shares of Series C Preferred Stock, and the Corporation shall pay no dividends (other than dividends payable in the form of Common Stock) on shares of the Common Stock unless it simultaneously complies with the previous sentence.

SECTION 4. VOTING RIGHTS. Except as otherwise provided herein or as otherwise required by the DGCL, the Series C Preferred Stock shall have no voting rights. However, as long as any shares of Series C Preferred Stock are outstanding, the Corporation shall not, either directly or indirectly by amendment, merger, consolidation, domestication, transfer, continuance, recapitalization, reclassification, waiver, statutory conversion, or otherwise, effect any of the following acts or transactions (in addition to any other vote required by law or this Certificate of Incorporation), without the affirmative vote of the Holders of a majority of the then outstanding shares of the Series C Preferred Stock, which majority shall include the affirmative vote of the Lead Investors (as defined in the Securities Purchase Agreement) and any such act or transaction that has not been approved by such consent or vote prior to such act or transaction being effected shall be null and void ab initio, and of no force or effect: (a) alter or change

adversely the powers, preferences or rights given to the Series C Preferred Stock as set forth herein or alter or amend this Certificate of Designation, amend or repeal any provision of, or add any provision to, the Certificate of Incorporation or bylaws of the Corporation, or file any articles of amendment, certificate of designations, preferences, limitations and relative rights of any series of Preferred Stock, if such action would adversely alter or change the preferences, rights, privileges or powers of, or restrictions provided for the benefit of the Series C Preferred Stock, regardless of whether any of the foregoing actions shall be by means of amendment to the Certificate of Incorporation, (b) increase or decrease the number of authorized shares of Series C Preferred Stock, or (c) enter into any agreement with respect to any of the foregoing.

SECTION 5. RANK. The Series C Preferred Stock shall rank on parity with the Common Stock (on an as-if-converted-to-Common Stock basis based on the current Conversion Ratio) as to dividends, distributions of assets upon liquidation, dissolution or winding up of the Corporation, whether voluntarily or involuntarily.

SECTION 6. CONVERSION.

(a) Conversion Ratio. The "***Conversion Ratio***" for each share of Series C Preferred Stock shall be determined by dividing (i) the Initial Stated Value of such share plus any declared but unpaid dividends to which such share of Series C Preferred Stock is then entitled by (ii) the then-effective Conversion Price. The initial "***Conversion Price***" shall equal $5.796933.

(b) Automatic Conversion. Effective as of 5:00 p.m. Eastern Time on the 2 nd Trading Day after the Requisite Stockholder Approval (as defined in the Securities Purchase Agreement), each share of Series C Preferred Stock then outstanding shall automatically convert into a number of shares of Common Stock equal to the Conversion Ratio, subject to the Beneficial Ownership Limitation set forth in Section 6(e) (the "***Automatic Conversion***"). In determining the application of the Beneficial Ownership Limitations solely with respect to the Automatic Conversion, the Corporation shall calculate beneficial ownership for each Holder assuming beneficial ownership of: (x) the number of shares of Common Stock issuable in such Automatic Conversion to such Holder, plus (y) any additional shares of Common Stock for which a Holder has provided the Corporation with prior written notice of beneficial ownership at least 5 Trading days prior to the date of the Requisite Stockholder Approval (a "***Beneficial Ownership Statement***") and assuming the conversion of all shares of Preferred Stock held by all other holders of Preferred Stock less the aggregate number of shares of Preferred Stock held by all other holders of Preferred Stock that will not convert into shares of Common Stock as a result of the application of any Beneficial Ownership Limitations applicable to any such other holders. If a Holder fails to provide the Corporation with a Beneficial Ownership Statement at least 5 Trading days prior to the date of Requisite Stockholder Approval, then the Corporation shall presume the Holder's beneficial ownership of Common Stock (apart from the Initial Conversion Shares) to be zero. The shares of Common Stock issued upon the Automatic Conversion are referred to as the "***Initial Conversion Shares***" and shares of Series C Preferred Stock that are converted in the Automatic Conversion are referred to as the "***Converted Stock***". The Initial Conversion Shares shall be issued as follows:

(i) Converted Stock that is registered in book entry form shall be automatically cancelled upon the Automatic Conversion and converted into the corresponding Initial Conversion Shares, which shares shall be issued in book entry form and without any action on the part of the Holders.

(ii) Converted Stock that is issued in certificated form shall be deemed converted into the corresponding Initial Conversion Shares on the date of Automatic Conversion and the Holder's rights as a holder of such shares of Converted Stock shall cease and terminate on such date, excepting only the right to receive the Initial Conversion Shares upon the Holder tendering to the Corporation (or its designated agent) the stock certificate(s) (duly endorsed) representing such certificated Converted Stock.

Notwithstanding the cancellation of the Converted Stock upon the Automatic Conversion, Holders of Converted Stock shall continue to have any remedies provided herein or otherwise available at law or in equity to such Holder because of a failure by the Corporation to comply with the terms of this

Certificate of Designation. In all cases, the Holder shall retain all of its rights and remedies for the Corporation's failure to convert the Converted Stock.

(c) Optional Conversion Following Requisite Stockholder Approval. Subject to Section 6(e), at any time and from time to time as of 5:00 p.m. Eastern time on the 2nd Trading Day after the Requisite Stockholder Approval (as defined in the Securities Purchase Agreement) is obtained, each Holder may, at its option, effect conversions of shares of Series C Preferred Stock then outstanding into a number of shares of Common Stock equal to the Conversion Ratio (each, an "***Optional Conversion***") by providing the Corporation with the form of conversion notice attached hereto as ANNEX A (a "***Notice of Conversion***"), duly completed and executed. Provided the Corporation's transfer agent is participating in the DTC Fast Automated Securities Transfer program, the Notice of Conversion may specify, at the Holder's election, whether the applicable Conversion Shares shall be credited to the account of the Holder's prime broker with DTC through its Deposit Withdrawal Agent Commission system (a "***DWAC Delivery***"). The "***Conversion Date***", or the date on which an Optional Conversion shall be deemed effective, shall be the Trading Day that the Notice of Conversion, completed and executed, is sent via email to, and received during regular business hours by, the Corporation; provided that the original certificate(s) (if any) representing such shares of Series C Preferred Stock being converted, duly endorsed, and the accompanying Notice of Conversion, are received by the Corporation within two Trading Days thereafter. In all other cases, the Conversion Date shall be defined as the Trading Day on which the original certificate(s) (if any) representing such shares of Series C Preferred Stock being converted, duly endorsed, and the accompanying Notice of Conversion, are received by the Corporation. The calculations set forth in the Notice of Conversion shall control in the absence of manifest or mathematical error.

(d) Consequences of Conversion. Immediately following any conversion, the rights of the Holders of converted Series C Preferred Stock shall cease and the persons entitled to receive Common Stock upon the conversion of Series C Preferred Stock shall be treated for all purposes as having become the owners of such Common Stock. Shares of Series C Preferred Stock converted into Common Stock shall be canceled and shall not be reissued. In no event shall the Series C Preferred Stock convert into shares of Common Stock prior to the Requisite Stockholder Approval (as defined in the Securities Purchase Agreement).

(e) Beneficial Ownership Limitation

(i) Notwithstanding anything herein to the contrary, the Corporation shall not effect any conversion of any share of Series C Preferred Stock or issue any Warrant Shares (as defined in the Securities Purchase Agreement) upon exercise of the Warrants (as defined in the Securities Purchase Agreement), and a Holder shall not have the right to convert or exercise, as applicable, any portion of such securities, to the extent that, after giving effect to such attempted conversion or exercise set forth on an applicable Notice of Conversion and Notice of Exercise (as defined in the Warrant), such Holder (together with any other Person whose beneficial ownership of Common Stock would be aggregated with the Holder's for purposes of Section 13(d) or Section 16 of the Exchange Act and the applicable rules and regulations of the Commission, including any "group" of which the Holder is a member (the foregoing, "***Attribution Parties***")) would beneficially own a number of shares of Common Stock in excess of the Beneficial Ownership Limitation (as defined below). For purposes of the foregoing sentence, the number of shares of Common Stock beneficially owned by such Holder and its Attribution Parties shall include the number of shares of Common Stock issuable upon conversion or exercise, as applicable, of the Series C Preferred Stock or Warrants, as the case may be, subject to the Notice of Conversion or Automatic Conversion or Notice of Exercise (as defined in the Warrant Agreement), as applicable, with respect to which such determination is being made, but shall exclude the number of shares of Common Stock which are issuable upon (A) conversion of the remaining, unconverted Series C Preferred Stock beneficially owned by such Holder or any of its Attribution Parties, and (B) exercise or conversion of the unexercised or unconverted portion of any other securities of the Corporation (including any Warrants) beneficially owned by such Holder or any of its Attribution Parties that are subject to and would exceed a limitation on conversion or exercise similar to the limitation contained herein.

(ii) For purposes of this Section 6(e), beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act and the applicable rules and regulations of the Commission, and the terms "beneficial ownership" and "beneficially own" have the meanings ascribed to such terms therein. In addition, for purposes hereof, "group" has the meaning set forth in Section 13(d) of the Exchange Act and the applicable regulations of the Commission. For purposes of this Section 6(e), in determining the number of outstanding shares of Common Stock, a Holder may rely on the number of outstanding shares of Common Stock as stated in the most recent of the following: (A) the Corporation's most recent periodic or annual filing with the Commission, as the case may be, (B) a more recent public announcement by the Corporation that is filed with the Commission, or (C) a more recent notice by the Corporation or the Corporation's transfer agent to the Holder setting forth the number of shares of Common Stock then outstanding. Upon the written request of a Holder (which may be by email), the Corporation shall, within three Trading Days thereof, confirm in writing to such Holder (which may be via email) the number of shares of Common Stock then outstanding. In any case, the number of outstanding shares of Common Stock shall be determined after giving effect to any actual conversion or exercise of securities of the Corporation, including shares of Series C Preferred Stock, by such Holder or its Attribution Parties since the date as of which such number of outstanding shares of Common Stock was last publicly reported or confirmed to the Holder. The "***Beneficial Ownership Limitation***" shall be set at 9.99% of the number of shares of the Common Stock assuming full conversion or exercise, as applicable, of the Series C Preferred Stock or Warrants, as the case may be, subject to the Notice of Conversion or Automatic Conversion or Notice of Exercise (as defined in the Warrant Agreement), as applicable, or 4.99% in the case of a Lead Investor (as defined in the Securities Purchase Agreement). The Corporation shall be entitled to rely on representations made to it by the Holder in any Notice of Conversion regarding its Beneficial Ownership Limitation. Notwithstanding the foregoing, by written notice to the Corporation, any Holder, other than a Lead Investor, may reset the Beneficial Ownership Limitation percentage to a higher percentage, not to exceed 9.99%, which increase will not be effective until the sixty-first (61st) day after such written notice is delivered to the Corporation. Notwithstanding the foregoing, at any time following notice of a Fundamental Transaction, the Holder may waive and/or change the Beneficial Ownership Limitation effective immediately upon written notice to the Corporation and may reinstitute a Beneficial Ownership Limitation at any time thereafter effective immediately upon written notice to the Corporation. The provisions of this Section 6(e) shall be construed, corrected and implemented in a manner so as to effectuate the intended Beneficial Ownership Limitation herein contained and the shares of Common Stock underlying the Series C Preferred Stock in excess of the Beneficial Ownership Limitation shall not be deemed to be beneficially owned by the Holder for any purpose including for purposes of Section 13(d) or Rule 16a-1(a)(1) of the Exchange Act.

(f) Mechanics of Conversion.

(i) Delivery of Conversion Shares Upon Conversion. Not later than the earlier of (i) two (2) Trading Days and (ii) the number of Trading Days comprising the Standard Settlement Period (as defined below) after each date on which the Series C Preferred Stock are converted (the "***Share Delivery Date***"), the Corporation shall deliver, or cause to be delivered, to the converting Holder the number of Conversion Shares being acquired upon the conversion of the Series C Preferred Stock, which Conversion Shares shall, until such time that such shares are not so restricted under the Securities Act, bear a restrictive legend as required pursuant to the Securities Act indicating that such shares have not been registered and may not be offered, sold, transferred, assigned, pledged or hypothecated unless registered under the Securities Act or unless an exemption from such registration is available (together with any other legend or legends required by applicable state securities law or otherwise, if any). The Corporation shall use its best efforts to deliver the Conversion Shares required to be delivered by the Corporation under this Section 6 electronically through the Depository Trust Company or another established clearing corporation performing similar functions by the Share Delivery Date. As used herein, "***Standard Settlement Period***" means the standard settlement period, expressed in a number of Trading Days, on the Corporation's primary Trading Market with respect to the Common Stock as in effect on the effective date of the Automatic Conversion or any Conversion Date.

(ii) Obligation Absolute. Subject to Section 6(e) hereof, the Corporation's obligation to issue and deliver the Conversion Shares upon conversion of Series C Preferred Stock in accordance with the terms hereof are absolute and unconditional, irrespective of any action or inaction by a Holder to enforce the same, any waiver or consent with respect to any provision hereof, the recovery of any judgment against any Person or any action to enforce the same, or any setoff, counterclaim, recoupment, limitation or termination, or any breach or alleged breach by such Holder or any other Person of any obligation to the Corporation or any violation or alleged violation of law by such Holder or any other Person, and irrespective of any other circumstance which might otherwise limit such obligation of the Corporation to such Holder in connection with the issuance of such Conversion Shares. Subject to Section 6(e) hereof, in the event a Holder shall elect to convert any or all of its Series C Preferred Stock, the Corporation may not refuse conversion based on any claim that such Holder or anyone associated or affiliated with such Holder has been engaged in any violation of law, agreement or for any other reason, unless an injunction from a court, on notice to Holder, restraining or enjoining conversion of all or part of the Series C Preferred Stock of such Holder shall have been sought and obtained by the Corporation. In the absence of such injunction, the Corporation shall, subject to Section 6(e) hereof, issue Conversion Shares upon a properly noticed conversion.

(iii) Buy-In on Failure to Timely Deliver Conversion Shares. If the Corporation fails to deliver to a Holder the Conversion Shares by the Share Delivery Date pursuant to Section 6(f)(i) (other than a failure caused by incorrect or incomplete information provided by Holder to the Corporation), and if after such Share Delivery Date such Holder is required by its brokerage firm to purchase (in an open market transaction or otherwise), or the Holder's brokerage firm otherwise purchases, shares of Common Stock to deliver in satisfaction of a sale by such Holder of the Conversion Shares which such Holder was entitled to receive upon the conversion relating to such Share Delivery Date (a "***Buy-In***"), then the Corporation shall (A) pay in cash to such Holder (in addition to any other remedies available to or elected by such Holder) the amount by which (x) such Holder's total purchase price (including any brokerage commissions, if any) for the shares of Common Stock so purchased exceeds (y) the product of (1) the aggregate number of shares of Common Stock that such Holder was entitled to receive from the conversion at issue multiplied by (2) the actual sale price at which the sell order giving rise to such purchase obligation was executed (including any brokerage commissions) and (B) at the option of such Holder, either reissue (if surrendered) the shares of Series C Preferred Stock equal to the number of shares of Series C Preferred Stock submitted for conversion or deliver to such Holder the number of shares of Common Stock that would have been issued if the Corporation had timely complied with its delivery requirements under Section 6(f)(i). For example, if a Holder purchases shares of Common Stock having a total purchase price of $11,000 to cover a Buy-In with respect to an attempted conversion of shares of Series C Preferred Stock an aggregate sale price giving rise to such purchase obligation was a total of $10,000 under clause (A) of the immediately preceding sentence, the Corporation shall be required to pay such Holder $1,000. The Holder shall provide the Corporation written notice, indicating the amounts payable to such Holder in respect of such Buy-In together with applicable confirmations and other evidence reasonably requested by the Corporation. Nothing herein shall limit a Holder's right to pursue any other remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief with respect to the Corporation's failure to timely deliver certificates or book entry positions representing shares of Common Stock upon conversion of the shares of Series C Preferred Stock as required pursuant to the terms hereof.

(iv) Reservation of Shares Issuable Upon Conversion. The Corporation covenants that it will at all times reserve and keep available out of its authorized and unissued shares of Common Stock for the sole purpose of issuance upon conversion of the Series C Preferred Stock, free from preemptive rights or any other actual contingent purchase rights of Persons other than the Holders of the Series C Preferred Stock, not less than 150% of aggregate number of shares of the Common Stock as shall be issuable (after taking into account any adjustments to the Conversion Ratio pursuant to or resulting from the provisions of Section 2 and Section 7) upon the conversion of all outstanding shares of Series C Preferred Stock. The Corporation covenants that all shares of Common Stock that shall be so issuable shall, upon issue, be duly authorized, validly issued, fully paid and nonassessable.

(v) Fractional Shares. No fractional shares or scrip representing fractional shares of Common Stock shall be issued upon the conversion of the Series C Preferred Stock. As to any fraction of a share which a Holder would otherwise be entitled to receive upon such conversion, the Corporation shall round up to the next whole share.

(vi) Transfer Taxes. The issuance of shares of the Common Stock upon conversion of the Series C Preferred Stock shall be made without charge to any Holder for any documentary stamp or similar taxes that may be payable in respect of the issue or delivery of such shares, provided that the Corporation shall not be required to pay any tax that may be payable in respect of any transfer involved in the issuance and delivery of any such certificate upon conversion in a name other than that of the registered Holder(s) of such shares of Series C Preferred Stock and the Corporation shall not be required to issue or deliver such shares unless or until the Person or Persons requesting the issuance thereof shall have paid to the Corporation the amount of such tax or shall have established to the satisfaction of the Corporation that such tax has been paid.

(g) Status as Stockholder. Upon the Automatic Conversion or any Conversion Date: (i) the shares of Series C Preferred Stock being converted shall be deemed converted into shares of Common Stock and (ii) the Holder's rights as a holder of such converted shares of Series C Preferred Stock shall cease and terminate, excepting only the right to receive electronic delivery of such shares of Common Stock and to any remedies provided herein or otherwise available at law or in equity to such Holder because of a failure by the Corporation to comply with the terms of this Certificate of Designation. In all cases, the holder shall retain all of its rights and remedies for the Corporation's failure to convert Series C Preferred Stock.

(h) Adjustments to Conversion Price for Diluting Issues.

(i) Special Definitions. For purposes of this Section 6(h), the following definitions shall apply:

(1) "***Additional Shares of Common Stock***" shall mean all shares of Common Stock issued (or, pursuant to Section 6(h)(iii) below, deemed to be issued) by the Corporation after the Original Issue Date, other than (1) the following shares of Common Stock and (2) shares of Common Stock deemed issued pursuant to the following Options and Convertible Securities (clauses (1) and (2), collectively, "***Exempted Securities***"):

a. as to any series of Preferred Stock, shares of Common Stock, Options or Convertible Securities issued as a dividend or distribution on such series of Preferred Stock (including dividends payable in connection with dividends on other classes or series of stock);

b. shares of Common Stock, Options or Convertible Securities issued by reason of a dividend, stock split, split-up or other distribution on shares of Common Stock that is covered by Section 3 or 7;

c. shares of Common Stock or Options issued to employees or directors of, or consultants or advisors to, the Corporation or any of its subsidiaries for service pursuant to a plan, agreement or arrangement approved by the Board and adopted in compliance with the rules of the Trading Market;

d. shares of Common Stock or Convertible Securities actually issued upon the exercise of Options or shares of Common Stock actually issued upon the conversion or exchange of Convertible Securities, in each case provided such issuance is pursuant to the terms of such Option or Convertible Security; or

e. shares of Common Stock, Options or Convertible Securities issued to banks, equipment lessors or other financial institutions, or to real

property lessors, pursuant to a debt financing, equipment leasing or real property leasing transaction approved by the Board.

(2) "***Convertible Securities***" shall mean any evidences of indebtedness, shares or other securities directly or indirectly convertible into or exchangeable for Common Stock, but excluding Options.

(3) "***Option***" shall mean rights, options or warrants to subscribe for, purchase or otherwise acquire Common Stock or Convertible Securities.

(4) "***Original Issue Date***" shall mean the date on which the first share of Series C Preferred Stock was issued.

(ii) No Adjustment of Series C Preferred Stock Conversion Price . No adjustment in the Conversion Price shall be made as the result of the issuance or deemed issuance of Additional Shares of Common Stock if the Corporation receives written notice from the Holders of a majority of the then outstanding shares of the Series C Preferred Stock, which majority shall include the Lead Investors (as defined in the Securities Purchase Agreement) agreeing that no such adjustment shall be made as the result of the issuance or deemed issuance of such Additional Shares of Common Stock.

(iii) Deemed Issue of Additional Shares of Common Stock .

(1) If the Corporation at any time or from time to time after the Original Issue Date shall issue any Options or Convertible Securities (excluding Options or Convertible Securities which are themselves Exempted Securities) or shall fix a record date for the determination of holders of any class of securities entitled to receive any such Options or Convertible Securities, then the maximum number of shares of Common Stock (as set forth in the instrument relating thereto, assuming the satisfaction of any conditions to exercisability, convertibility or exchangeability but without regard to any provision contained therein for a subsequent adjustment of such number) issuable upon the exercise of such Options or, in the case of Convertible Securities and Options therefor, the conversion or exchange of such Convertible Securities, shall be deemed to be Additional Shares of Common Stock issued as of the time of such issue or, in case such a record date shall have been fixed, as of the close of business on such record date,

(2) If the terms of any Option or Convertible Security, the issuance of which resulted in an adjustment to the Conversion Price pursuant to the terms of Section 6(h)(iv), are revised as a result of an amendment to such terms or any other adjustment pursuant to the provisions of such Option or Convertible Security (but excluding automatic adjustments to such terms pursuant to anti-dilution or similar provisions of such Option or Convertible Security) to provide for either (1) any increase or decrease in the number of shares of Common Stock issuable upon the exercise, conversion and/or exchange of any such Option or Convertible Security or (2) any increase or decrease in the consideration payable to the Corporation upon such exercise, conversion and/or exchange, then, effective upon such increase or decrease becoming effective, the Conversion Price computed upon the original issue of such Option or Convertible Security (or upon the occurrence of a record date with respect thereto) shall be readjusted to such Conversion Price as would have obtained had such revised terms been in effect upon the original date of issuance of such Option or Convertible Security. Notwithstanding the foregoing, no readjustment pursuant to this clause (2) shall have the effect of increasing the Conversion Price to an amount which exceeds the lower of (i) the Conversion Price in effect immediately prior to the original adjustment made as a result of the issuance of such Option or Convertible Security, or (ii) the Conversion Price that would have resulted from any issuances of Additional Shares of Common Stock (other than deemed issuances of Additional Shares of Common Stock as a result of the issuance of such Option or Convertible Security) between the original adjustment date and such readjustment date.

(3) If the terms of any Option or Convertible Security (excluding Options or Convertible Securities which are themselves Exempted Securities), the issuance of which did not result in an adjustment to the Conversion Price pursuant to the terms of Section 6(h)(iv) (either because the consideration per share (determined pursuant to Section 6(h)(v) of the Additional Shares of Common Stock subject thereto was equal to or greater than the Conversion Price then in effect, or because such Option or Convertible Security was issued before the Original Issue Date), are revised after the Original Issue Date as a result of an amendment to such terms or any other adjustment pursuant to the provisions of such Option or Convertible Security (but excluding automatic adjustments to such terms pursuant to anti-dilution or similar provisions of such Option or Convertible Security) to provide for either (1) any increase in the number of shares of Common Stock issuable upon the exercise, conversion or exchange of any such Option or Convertible Security or (2) any decrease in the consideration payable to the Corporation upon such exercise, conversion or exchange, then such Option or Convertible Security, as so amended or adjusted, and the Additional Shares of Common Stock subject thereto determined in the manner provided in Section 6(h)(iii)(1) shall be deemed to have been issued effective upon such increase or decrease becoming effective.

(4) Upon the expiration or termination of any unexercised Option or unconverted or unexchanged Convertible Security (or portion thereof) which resulted (either upon its original issuance or upon a revision of its terms) in an adjustment to the Conversion Price pursuant to the terms of Section 6(h)(iv), the Conversion Price shall be readjusted to such Conversion Price as would have obtained had such Option or Convertible Security (or portion thereof) never been issued.

(5) If the number of shares of Common Stock issuable upon the exercise, conversion and/or exchange of any Option or Convertible Security, or the consideration payable to the Corporation upon such exercise, conversion and/or exchange, is calculable at the time such Option or Convertible Security is issued or amended but is subject to adjustment based upon subsequent events, any adjustment to the Conversion Price provided for in this Section 6(h)(iii) shall be effected at the time of such issuance or amendment based on such number of shares or amount of consideration without regard to any provisions for subsequent adjustments (and any subsequent adjustments shall be treated as provided in clauses (2) and (3) of this Section 6(h)(iii). If the number of shares of Common Stock issuable upon the exercise, conversion and/or exchange of any Option or Convertible Security, or the consideration payable to the Corporation upon such exercise, conversion and/or exchange, cannot be calculated at all at the time such Option or Convertible Security is issued or amended, any adjustment to the Conversion Price that would result under the terms of this Section (6)(h)(iii) at the time of such issuance or amendment shall instead be effected at the time such number of shares and/or amount of consideration is first calculable (even if subject to subsequent adjustments), assuming for purposes of calculating such adjustment to the Conversion Price that such issuance or amendment took place at the time such calculation can first be made. In the event an Option or Convertible Security contains alternative conversion terms, such as a cap on the valuation of the Corporation at which such conversion will be effected, or circumstances where the Option or Convertible Security may be repaid in lieu of conversion, then the number of shares of Common Stock issuable upon the exercise, conversion and/or exchange of such Option or Convertible Security shall be deemed not calculable until such time as the applicable conversion terms are determined.

(iv) Adjustment of Conversion Price Upon Issuance of Additional Shares of Common Stock. In the event the Corporation shall at any time after the Original Issue Date issue Additional Shares of Common Stock (including Additional Shares of Common Stock deemed to be issued pursuant to Section 6(h)(iii), without consideration or for a consideration per share less than the Conversion Price in effect immediately prior to such issuance or deemed issuance, then the Conversion Price shall be reduced, concurrently with such issue, to a price (calculated to the nearest one-hundredth of a cent) determined in accordance with the following formula:

$$CP_2 = CP_1 * (A + B) \div (A + C).$$

For purposes of the foregoing formula, the following definitions shall apply:

(1) CP_2" shall mean the Conversion Price in effect immediately after such issuance or deemed issuance of Additional Shares of Common Stock;

(2) CP_1" shall mean the Conversion Price in effect immediately prior to such issuance or deemed issuance of Additional Shares of Common Stock;

(3) "A" shall mean the number of shares of Common Stock outstanding immediately prior to such issuance or deemed issuance of Additional Shares of Common Stock (treating for this purpose as outstanding all shares of Common Stock issuable upon exercise of Options outstanding immediately prior to such issuance or deemed issuance or upon conversion or exchange of Convertible Securities (including the Preferred Stock) outstanding (assuming exercise of any outstanding Options therefor) immediately prior to such issue);

(4) "B" shall mean the number of shares of Common Stock that would have been issued if such Additional Shares of Common Stock had been issued or deemed issued at a price per share equal to CP_1 (determined by dividing the aggregate consideration received by the Corporation in respect of such issue by CP_1); and

(5) "C" shall mean the number of such Additional Shares of Common Stock issued in such transaction.

(v) Determination of Consideration. For purposes of this Section 6, the consideration received by the Corporation for the issuance or deemed issuance of any Additional Shares of Common Stock shall be computed as follows:

(1) Cash and Property. Such consideration shall:

a. insofar as it consists of cash, be computed at the aggregate amount of cash received by the Corporation, excluding amounts paid or payable for accrued interest.

b. insofar as it consists of property other than cash, be computed at the fair market value thereof at the time of such issue, as determined in good faith by the Board; and

c. in the event Additional Shares of Common Stock are issued together with other shares or securities or other assets of the Corporation for consideration which covers both, be the proportion of such consideration so received, computed as provided in clauses (a) and (b) above, as determined in good faith by the Board.

(2) Options and Convertible Securities. The consideration per share received by the Corporation for Additional Shares of Common Stock deemed to have been issued pursuant to Section 6(h)(iii), relating to Options and Convertible Securities, shall be determined by dividing:

a. The total amount, if any, received or receivable by the Corporation as consideration for the issue of such Options or Convertible Securities, plus the minimum aggregate amount of additional consideration (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such consideration) payable to the Corporation upon the exercise of such Options or the conversion or exchange

of such Convertible Securities, or in the case of Options for Convertible Securities, the exercise of such Options for Convertible Securities and the conversion or exchange of such Convertible Securities, by

b. the maximum number of shares of Common Stock (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such number) issuable upon the exercise of such Options or the conversion or exchange of such Convertible Securities, or in the case of Options for Convertible Securities, the exercise of such Options for Convertible Securities and the conversion or exchange of such Convertible Securities.

(vii) Multiple Closing Dates. In the event the Corporation shall issue on more than one date Additional Shares of Common Stock that are a part of one transaction or a series of related transactions and that would result in an adjustment to the Conversion Price pursuant to the terms of Section 6(h)(iv), and such issuance dates occur within a period of no more than ninety (90) days from the first such issuance to the final such issuance, then, upon the final such issuance, the Conversion Price shall be readjusted to give effect to all such issuances as if they occurred on the date of the first such issuance (and without giving effect to any additional adjustments as a result of any such subsequent issuances within such period).

SECTION 7. CERTAIN ADJUSTMENTS.

(a) Stock Dividends and Stock Splits. If the Corporation, at any time while the Series C Preferred Stock is outstanding: (i) pays a stock dividend or otherwise makes a distribution or distributions payable in shares of Common Stock (which, for avoidance of doubt, shall not include any shares of Common Stock issued by the Corporation upon conversion of shares of Series C Preferred Stock) with respect to the then outstanding shares of Common Stock; (ii) subdivides outstanding shares of Common Stock into a larger number of shares; or (iii) combines (including by way of a reverse stock split) outstanding shares of Common Stock into a smaller number of shares, then the Conversion Price shall be multiplied by a fraction of which the numerator shall be the number of shares of Common Stock (excluding any treasury shares of the Corporation) outstanding immediately after such event and of which the denominator shall be the number of shares of Common Stock outstanding immediately before such event (excluding any treasury shares of the Corporation). Any adjustment made pursuant to this Section 7(a) shall become effective immediately after the record date for the determination of stockholders entitled to receive such dividend or distribution and shall become effective immediately after the effective date in the case of a subdivision or combination.

(b) Rights Upon Distribution of Assets. If the Corporation shall declare or make any dividend or other distribution of its assets (or rights to acquire its assets) to holders of shares of Common Stock, by way of return of capital or otherwise (including, without limitation, any distribution of cash, stock or other securities, property or options by way of a dividend, spin off, reclassification, corporate rearrangement, scheme of arrangement or other similar transaction) (a "***Distribution***"), a Holder shall be entitled to receive the dividend or distribution of assets that would have been payable to such Holder pursuant to the Distribution had such Holder converted his or her shares of Series C Preferred Stock (or, if he or she had partially converted such shares prior to the Distribution, any unconverted portion thereof) immediately prior to such record date.

(c) Fundamental Transaction. If, at any time while this Series C Preferred Stock is outstanding, and except in respect of any shares of Series C Preferred Stock issued pursuant to the Merger Agreement or the Securities Purchase Agreement, (i) the Corporation, directly or indirectly, in one or more related transactions effects any merger or consolidation of the Corporation with or into another Person, (ii) the Corporation, directly or indirectly, effects any sale, lease, license, assignment, transfer, conveyance or other disposition of all or substantially all of its assets in one or a series of related transactions, (iii) any, direct or indirect, purchase offer, tender offer or exchange offer (whether by the Corporation or another Person) is completed pursuant to which holders of Common Stock are permitted to sell, tender or exchange their shares for other securities, cash or property and has been accepted by the holders of more than 50% of the outstanding Common Stock, (iv) the Corporation, directly or indirectly,

in one or more related transactions effects any reclassification, reorganization or recapitalization of the Common Stock or any compulsory share exchange pursuant to which the Common Stock is effectively converted into or exchanged for other securities, cash or property, or (v) the Corporation, directly or indirectly, in one or more related transactions consummates a stock or share purchase agreement or other business combination (including, without limitation, a reorganization, recapitalization, spin-off or scheme of arrangement) with another Person whereby the holders of the Common Stock immediately prior to such transaction or related transactions cease to hold more than 50% of the outstanding shares of Common Stock immediately following the consummation of such transaction or related transactions (each a "***Fundamental Transaction***"), then each Holder shall automatically receive, for each Conversion Share that would have been issuable upon such conversion immediately prior to the occurrence of such Fundamental Transaction, the same consideration receivable as a result of such Fundamental Transaction by a holder of the number of shares of Common Stock for which this Series C Preferred Stock is convertible immediately prior to such Fundamental Transaction ("***Alternate Consideration***"). For purposes of any such subsequent conversion, the determination of the Conversion Price shall be appropriately adjusted to apply to such Alternate Consideration based on the amount of Alternate Consideration issuable in respect of one share of Common Stock in such Fundamental Transaction, and the Corporation shall adjust the Conversion Price in a reasonable manner reflecting the relative value of any different components of the Alternate Consideration. If holders of Common Stock are given any choice as to the securities, cash or property to be received in a Fundamental Transaction, then the Holders shall be given the same choice as to the Alternate Consideration it receives upon any conversion of the Series C Preferred Stock following such Fundamental Transaction. To the extent necessary to effectuate the foregoing provisions, any successor to the Corporation or surviving entity in such Fundamental Transaction shall file a new certificate of designations with the same terms and conditions and issue to the Holders new preferred stock consistent with the foregoing provisions and evidencing the Holders' right to convert such preferred stock into Alternate Consideration. The terms of any agreement to which the Corporation is a party and pursuant to which a Fundamental Transaction is effected shall include terms requiring any such successor or surviving entity to comply with the provisions of this Section 7(c) and insuring that the Series C Preferred Stock (or any such replacement security) will be similarly adjusted upon any subsequent transaction analogous to a Fundamental Transaction. The Corporation shall cause to be delivered to each Holder, at its last address as it shall appear upon the stock books of the Corporation, written notice of any Fundamental Transaction at least 20 calendar days prior to the date on which such Fundamental Transaction is expected to become effective or close

(d) Calculations. All calculations under this Section 7 shall be made to the nearest cent or the nearest 1/100th of a share, as the case may be. For purposes of this Section 7, the number of shares of Common Stock deemed to be issued and outstanding as of a given date shall be the sum of the number of shares of Common Stock (excluding any treasury shares of the Corporation) issued and outstanding.

SECTION 8. TRANSFER. A Holder may transfer such shares of Series C Preferred Stock in whole, or in part, together with the accompanying rights set forth herein, held by such Holder without the consent of the Corporation; provided that such transfer is in compliance with applicable securities laws. The Corporation shall in good faith (i) do and perform, or cause to be done and performed, all such further acts and things, and (ii) execute and deliver all such other agreements, certificates, instruments and documents, in each case, as any Holder may reasonably request in order to carry out the intent and accomplish the purposes of this Section 8.

SECTION 9. SERIES C PREFERRED STOCK REGISTER. The Corporation shall maintain at its principal executive offices (or such other office or agency of the Corporation as it may designate by notice to the Holders), a register for the Series C Preferred Stock, in which the Corporation shall record (i) the name, address, electronic mail address and facsimile number of each holder in whose name the shares of Series C Preferred Stock have been issued and (ii) the name, address, electronic mail address and facsimile number of each transferee of any shares of Series C Preferred Stock. The Corporation may treat the person in whose name any share of Series C Preferred Stock is registered on the register as the owner and holder thereof for all purposes.

SECTION 10. MISCELLANEOUS.

(a) Notices. Any and all notices or other communications or deliveries to be provided by the Holders hereunder shall be in writing and delivered personally, by email, or sent by a nationally recognized overnight courier service, addressed to the Corporation, at 540 Gaither Road, Suite 400, Rockville, Maryland 20850, or such other address or email address as the Corporation may specify for such purposes by notice to the Holders delivered in accordance with this Section 10(a). Any and all notices or other communications or deliveries to be provided by the Corporation hereunder shall be in writing and delivered personally or sent by a nationally recognized overnight courier service or email addressed to each Holder at the address of such Holder appearing on the books of the Corporation, or if no such address appears on the books of the Corporation, at the principal place of business of such Holder. Any notice or other communication or deliveries hereunder shall be deemed given and effective on the earliest of (i) the date of transmission, if such notice or communication is delivered via email at the email address specified in or pursuant to this Section 10(a) prior to 5:30 p.m. (New York City time) on any date, (ii) the date immediately following the date of transmission, if such notice or communication is delivered via mail at the email address specified in or pursuant to this Section 10(a) between 5:30 p.m. and 11:59 p.m. (New York City time) on any date, (iii) the second (2nd) Business Day following the date of mailing, if sent by nationally recognized overnight courier service, or (iv) upon actual receipt by the party to whom such notice is required to be given.

(b) Subsequent Financing Lock-Up. From the date hereof until the earlier of (i) the date on which Holders may sell any such Conversion Shares pursuant to an effective registration statement or Rule 144, or (ii) one (1) year from the date hereof, the Corporation shall not, directly or indirectly, offer, sale, or grant of any option to purchase, or disposition of (or announcement any offer, sale, grant of any option to purchase, or disposition of) any of its or its subsidiaries' equity, debt or equity equivalent securities, including without limitation any indebtedness, preferred stock or other instrument or security that is, at any time during its life and under any circumstances, convertible into or exchangeable or exercisable for shares of Common Stock (any such offer, sale, grant, disposition or announcement being referred to as a "***Subsequent Financing***") without the prior written consent of the Lead Investors. For the avoidance of doubt, a Subsequent Financing shall not include (i) shares of Common Stock or Options or other equity securities issued to employees or directors of, or consultants or advisors to, the Company or any of its Subsidiaries for services pursuant to a plan, agreement or arrangement approved by the Company's Board and adopted in compliance with the rules of the Trading Market, and/or (ii) Milestone Consideration (as defined in the Merger Agreement) potentially paid in shares of Common Stock.

(c) Lost or Mutilated Series C Preferred Stock Certificate. If a Holder's Series C Preferred Stock certificate shall be mutilated, lost, stolen or destroyed, the Corporation shall execute and deliver, in exchange and substitution for and upon cancellation of a mutilated certificate, or in lieu of or in substitution for a lost, stolen or destroyed certificate, a new certificate for the shares of Series C Preferred Stock so mutilated, lost, stolen or destroyed, but only upon receipt of evidence of such loss, theft or destruction of such certificate, and of the ownership thereof, reasonably satisfactory to the Corporation and, in each case, customary and reasonable indemnity, if requested. Applicants for a new certificate under such circumstances shall also comply with such other reasonable regulations and procedures and pay such other reasonable third-party costs as the Corporation may prescribe.

(d) Waiver. Any waiver by the Corporation or a Holder of a breach of any provision of this Certificate of Designation shall not operate as or be construed to be a waiver of any other breach of such provision or of any breach of any other provision of this Certificate of Designation or a waiver by any other Holders. The failure of the Corporation or a Holder to insist upon strict adherence to any term of this Certificate of Designation on one or more occasions shall not be considered a waiver or deprive that party (or any other Holder) of the right thereafter to insist upon strict adherence to that term or any other term of this Certificate of Designation. Any waiver by the Corporation or a Holder must be in writing.

(e) Severability. If any provision of this Certificate of Designation is invalid, illegal or unenforceable, the balance of this Certificate of Designation shall remain in effect, and if any provision is inapplicable to any Person or circumstance, it shall nevertheless remain applicable to all other Persons and circumstances. If it shall be found that any interest or other amount deemed interest due hereunder violates the applicable law governing usury, the applicable rate of interest due hereunder shall automatically be lowered to equal the maximum rate of interest permitted under applicable law.

(f) Next Business or Trading Day. Whenever any payment or other obligation hereunder shall be due on a day other than a Business Day or a Trading Day, such payment shall be made on the next succeeding Business Day or Trading Day, as the case may be.

(g) Headings. The headings contained herein are for convenience only, do not constitute a part of this Certificate of Designation and shall not be deemed to limit or affect any of the provisions hereof.

(h) Status of Converted Series C Preferred Stock. If any shares of Series C Preferred Stock shall be converted or reacquired by the Corporation, such shares shall resume the status of authorized but unissued shares of preferred stock and shall no longer be designated as Series C Preferred Stock.

[Signature page follows]

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Designation to be signed by its duly authorized officer this 27th day of March, 2024.

AVALO THERAPEUTICS, INC.

By: /s/ Garry A. Neil
Name: Garry A. Neil
Title: Chief Executive Officer

ANNEX A

NOTICE OF CONVERSION

(TO BE EXECUTED BY THE REGISTERED HOLDER IN ORDER TO CONVERT SHARES OF SERIES C NON-VOTING CONVERTIBLE PREFERRED STOCK)

The undersigned Holder hereby irrevocably elects to convert the number of shares of Series C Non Voting Convertible Preferred Stock indicated below, represented in book-entry form, into shares of common stock, par value $0.001 per share (the "***Common Stock***"), of Avalo Therapeutics, Inc., a Delaware corporation (the "***Corporation***"), as of the date written below. If securities are to be issued in the name of a person other than the undersigned, the undersigned will pay all transfer taxes payable with respect thereto. Capitalized terms utilized but not defined herein shall have the meaning ascribed to such terms in that certain Certificate of Designation of Series C Non-Voting Convertible Preferred Stock (the "***Certificate of Designation***") filed by the Corporation with the Secretary of the State of Delaware on **[_____]**, 2024.

As of the date hereof, the number of shares of Common Stock beneficially owned by the undersigned Holder (together with such Holder's Attribution Parties), including the number of shares of Common Stock issuable upon conversion of the Series C Non-Voting Preferred Stock subject to this Notice of Conversion, but excluding the number of shares of Common Stock which are issuable upon (A) conversion of the remaining, unconverted Series C Non-Voting Preferred Stock beneficially owned by such Holder or any of its Attribution Parties, and (B) exercise or conversion of the unexercised or unconverted portion of any other securities of the Corporation (including any warrants) beneficially owned by such Holder or any of its Attribution Parties that are subject to a limitation on conversion or exercise similar to the limitation contained in Section 6(e) of the Certificate of Designations, is _____. For purposes hereof, beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act and the applicable regulations of the Commission. In addition, for purposes hereof, "group" has the meaning set forth in Section 13(d) of the Exchange Act and the applicable regulations of the Commission.

CONVERSION CALCULATIONS:

Date to Effect Conversion: _____

Number of shares of Series C Non-Voting Preferred Stock owned prior to Conversion: _____

Number of shares of Series C Non-Voting Preferred Stock to be Converted: _____

Number of shares of Common Stock to be Issued: _____

For DWAC Delivery, please provide the following:

Broker no: _____

Account no: _____

[HOLDER]

By: _____

Name:

Title:

CERTIFICATE OF DESIGNATION
OF
SERIES D NON-VOTING PREFERRED STOCK
OF
AVALO THERAPEUTICS, INC.

Pursuant to Section 151 of the
Delaware General Corporation Law

Avalo Therapeutics, Inc., a Delaware corporation (the " ***Corporation***"), in accordance with the provisions of Section 103 of the Delaware General Corporation Law (the "***DGCL***") does hereby certify that, in accordance with Sections 141(c) and 151 of the DGCL, the following resolution was duly adopted by the Board of Directors of the Corporation (the "***Board***") effective on March 26, 2024:

RESOLVED, that pursuant to the authority granted to and vested in the Board in accordance with the provisions of the Certificate of Incorporation of the Corporation, as amended (the "***Certificate of Incorporation***"), the Board hereby, pursuant to and upon the terms and conditions set forth in the Securities Purchase Agreement, establishes a series of the Corporation's authorized preferred stock, par value $0.001 per share (the "***Series D Preferred Stock***"), which series is designated as the Series D Non-Voting Preferred Stock, par value $0.001 per share, of the Corporation, with the designation, number of shares, powers, preferences, rights, qualifications, limitations and restrictions thereof (in addition to any provisions set forth in the Certificate of Incorporation that are applicable to the Preferred Stock of all classes and series) and one initial authorized share of Series D Preferred Stock, is hereby designated and created as follows:

SERIES D NON-VOTING CONVERTIBLE PREFERRED STOCK

SECTION 1. DEFINITIONS. For the purposes hereof, the following terms shall have the following meanings:

"***Affiliate***" of any Person means any Person, directly or indirectly, Controlling, Controlled by or under common Control with such Person

"***Business Day***" means any day except Saturday, Sunday, any day which shall be a federal legal holiday in the United States or any day on which banking institutions in the State of New York are authorized or required by law or other governmental action to close.

"***Common Stock***" means the Corporation's common stock, par value $0.001 per share, and stock of any other class of securities into which such securities may hereafter be reclassified or changed.

"***Control***" (including its correlative meanings "under common Control with" and "Controlled by") means, with respect to any Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through ownership of securities or partnership or other interests, by contract or otherwise.

"***DGCL***" means the Delaware General Corporation Law.

"***Series D Holder***" means the holder of the share of Series D Preferred Stock.

"***Person***" means any 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.

"***Securities Purchase Agreement***" means the Securities Purchase Agreement, dated March 27, 2024, by and among the Corporation and certain other parties thereto.

SECTION 2. DESIGNATION; AMOUNT AND PAR VALUE; ASSIGNMENT.

(a) The series of preferred stock designated by this Certificate of Designation shall be designated as the Corporation's "Series D Non-Voting Preferred Stock" (the "***Series D Preferred Stock***") and the number of shares so designated shall be one. Each share of Series D Preferred Stock shall have a par value of $0.001 per share.

(b) The Corporation shall register shares of the Series D Preferred Stock, upon records to be maintained by the Corporation for that purpose, in the name of the Holders thereof from time to time. The Corporation may deem and treat the registered holder of shares of Series D Preferred Stock as the Series D Holder and the absolute owner thereof for the all purposes hereunder.

SECTION 3. DIVIDENDS. No dividends shall be paid on shares of Series D Preferred Stock.

SECTION 4. VOTING RIGHTS. Except as otherwise provided herein or as otherwise required by the DGCL, the Series D Preferred Stock shall have no voting rights. However, as long as any shares of Series D Preferred Stock are outstanding, the Corporation shall not, either directly or indirectly by amendment, merger, consolidation, domestication, transfer, continuance, recapitalization, reclassification, waiver, statutory conversion, or otherwise, effect any of the following acts or transactions without (in addition to any other vote required by law or this Certificate of Incorporation), without the written consent of the Series D Holder and any such act or transaction that has not been approved by the Series D Holder prior to such act or transaction being effected shall be null and void ab initio, and of no force or effect: (a) alter or change adversely the powers, preferences or rights given to the Series D Preferred Stock as set forth herein or alter or amend this Certificate of Designation, amend or repeal any provision of, or add any provision to, the Certificate of Incorporation or bylaws of the Corporation, or file any articles of amendment, certificate of designations, preferences, limitations and relative rights of any series of Preferred Stock, if such action would adversely alter or change the preferences, rights, privileges or powers of, or restrictions provided for the benefit of the Series D Preferred Stock, regardless of whether any of the foregoing actions shall be by means of amendment to the Certificate of Incorporation or by merger, consolidation, domestication, transfer, continuance, recapitalization, reclassification, waiver, statutory conversion, or otherwise, (b) increase or decrease the number of authorized shares of Series D Preferred Stock, or (c) enter into any agreement with respect to any of the foregoing.

SECTION 5. RANK. In the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, before any payment or distribution of the Corporation's assets (whether capital or surplus) shall be made to or set apart for the holders of Common Stock, but after any payments or distributions are made on, or set apart for, any of the Corporation's indebtedness and to holders of the Corporation's preferred stock that have senior distribution rights to Series D Preferred Stock, holders of the Series D Preferred Stock shall be entitled to receive an amount per share equal to $0.001 but shall not be entitled to any further payment or other participation in any distribution of the assets of the Corporation.

SECTION 6. CONVERSION. The Series D Preferred Stock shall not be convertible into shares of Common Stock or any other securities of the Corporation.

SECTION 7. BOARD DESIGNATION RIGHT; BOARD OBSERVER RIGHT.

(a) Series D Director Appointment. The Series D Holder, acting exclusively and as a separate class, shall have the right, but not the obligation, to designate and appoint one (1) individual to serve as a director on the Board (the "***Series D Director***") and the Series D Director shall upon such designation be appointed to the Board. The Corporation shall take all reasonable actions within its control to give effect to the provisions of this Section 7.

(b) Removal and Vacancies of the Preferred Stock Director. For so long as the Series D Preferred Stock remains outstanding, the Series D Director may only be removed by the affirmative vote or consent (as the case may be) of the Series D Holder, given either at a special meeting duly called for that purpose or pursuant to a written consent of the Series D Holder, voting exclusively as a single class. If at any time there are no shares of Series D Preferred Stock outstanding, the Series D Director may be removed by a vote of the Board or otherwise pursuant to the Certificate of Incorporation and bylaws of the Corporation then in effect. Any vacancy occurring in the office of the Series D Director shall only be

filled by the affirmative vote or written consent of the Series D Holder pursuant to a written consent of the Series D Holder, and the Corporation shall cause such Series D Director to fill such resulting vacancy.

(c) Board Observer. For so long as the Series D Preferred Stock remains outstanding, the Series D Holder shall also have the right to appoint one non-voting observer (the "***Series D Observer***") to the Board. The Board shall permit the Series D Observer to attend all meetings of the Board and of any committee thereof as a non-voting observer, and will give such individual notice of such meetings at the same time and in the same manner as notice to the members of the Board. The Series D Observer shall be entitled to concurrent receipt of any materials provided to the Board or any committee thereof, *provided, however, that* each the Series D Observer shall agree to hold in confidence and trust all information so provided; *provided further, however, that* the Board reserves the right to withhold any materials and to exclude the Series D Observer from any meeting or portion thereof if access to such materials or attendance at such meeting could constitute a conflict of interest, adversely affect the attorney-client privilege between the Corporation and its counsel or result in disclosure of trade secrets.

SECTION 8. TRANSFER. The share of Series D Preferred Stock in whole, or in part, together with the accompanying rights set forth herein, may be transferred by the holder thereof without the consent of the Corporation; provided that (i) such transfer is to an Affiliate of such holder and (ii) in compliance with applicable securities laws. Except as provided by the immediately preceding sentence, the shares of Series D Preferred Stock shall not be transferrable by the holder thereof. The Corporation shall in good faith (i) do and perform, or cause to be done and performed, all such further acts and things, and (ii) execute and deliver all such other agreements, certificates, instruments and documents, in each case, as any may be reasonably requested by a Series D Holder in order to carry out the intent and accomplish the purposes of this Section 8.

SECTION 9. SERIES D PREFERRED STOCK REGISTER. The Corporation shall maintain at its principal executive offices (or such other office or agency of the Corporation as it may designate by notice to the Holders), a register for the Series D Preferred Stock, in which the Corporation shall record (i) the name, address and electronic mail address of the Series D Holder and (ii) the name, address, electronic mail address and facsimile number of each transferee of any shares of Series D Preferred Stock. The Corporation may treat the person in whose name any share of Series D Preferred Stock is registered on the register as the owner and holder thereof for all purposes.

SECTION 10. REDEMPTIONS.

(a) Holder Redemption. At any time, and from time to time, in its sole discretion, the Series D Holder may require the Corporation to redeem the Series D Preferred Stock for the par value thereof (a "***Holder Redemption***"). To exercise a Holder Redemption, the Series D Holder must deliver to the Corporation (i) a notice of redemption (a "***Holder Redemption Notice***") stating that the Series D Holder is exercising its redemption right pursuant to this Section 10(a) and (ii) if the Series D Preferred Stock is represented by physical certificates, such physical certificate.

(b) Corporation Redemption. At any time that the Series D Holder together with its affiliates holds less than 5.0% of the total outstanding shares of Common Stock of the Corporation (for the purposes hereof, assuming the conversion or exercise in full of any securities convertible into or exercisable for shares of Common Stock held by such holders without giving effect to any restrictions on conversion or exercise included therein), the Corporation may redeem the Series D Preferred Stock for the par value thereof (a "***Corporation Redemption***"). To exercise a Corporation Redemption, the Corporation must deliver to the Holder (i) a notice of redemption (a "***Corporation Redemption Notice***") stating that the Corporation is exercising its redemption right pursuant to this Section 10(b) and (ii) that, upon redemption, any physical certificates representing shares if the Series D Preferred Stock shall be cancelled in connection with such Corporation Redemption.

(c) Effect of Redemption. Upon receipt of a Holder Redemption Notice or delivery of a Corporation Redemption Notice, the Corporation shall pay to the Series D Holder the par value of the shares of Series D Preferred Stock and the Series D Preferred Stock shall no longer be outstanding.

SECTION 11. MISCELLANEOUS.

(a) Notices. Any and all notices or other communications or deliveries to be provided by the Holders hereunder shall be in writing and delivered personally, by email, or sent by a nationally recognized overnight courier service, addressed to the Corporation, at 540 Gaither Road, Suite 400, Rockville, Maryland 20850, or such other address or email address as the Corporation may specify for such purposes by notice to the Holders delivered in accordance with this Section. Any and all notices or other communications or deliveries to be provided by the Corporation hereunder shall be in writing and delivered personally or sent by a nationally recognized overnight courier service or email addressed to each Holder at the address of such Holder appearing on the books of the Corporation, or if no such address appears on the books of the Corporation, at the principal place of business of such Holder. Any notice or other communication or deliveries hereunder shall be deemed given and effective on the earliest of (i) the date of transmission, if such notice or communication is delivered via email at the email address specified in or pursuant to this Section prior to 5:30 p.m. (New York City time) on any date, (ii) the date immediately following the date of transmission, if such notice or communication is delivered via mail at the email address specified in or pursuant to this Section between 5:30 p.m. and 11:59 p.m. (New York City time) on any date, (iii) the second (2nd) Business Day following the date of mailing, if sent by nationally recognized overnight courier service, or (iv) upon actual receipt by the party to whom such notice is required to be given.

(b) Lost or Mutilated Series D Preferred Stock Certificate. If a Series D Holder's Series D Preferred Stock certificate shall be mutilated, lost, stolen or destroyed, the Corporation shall execute and deliver, in exchange and substitution for and upon cancellation of a mutilated certificate, or in lieu of or in substitution for a lost, stolen or destroyed certificate, a new certificate for the shares of Series D Preferred Stock so mutilated, lost, stolen or destroyed, but only upon receipt of evidence of such loss, theft or destruction of such certificate, and of the ownership thereof, reasonably satisfactory to the Corporation and, in each case, customary and reasonable indemnity, if requested. Applicants for a new certificate under such circumstances shall also comply with such other reasonable regulations and procedures and pay such other reasonable third-party costs as the Corporation may prescribe.

(c) Waiver. Any waiver by the Corporation or a Series D Holder of a breach of any provision of this Certificate of Designation shall not operate as or be construed to be a waiver of any other breach of such provision or of any breach of any other provision of this Certificate of Designation or a waiver by any other holder. The failure of the Corporation or a Series D Holder to insist upon strict adherence to any term of this Certificate of Designation on one or more occasions shall not be considered a waiver or deprive that party (or any other holder) of the right thereafter to insist upon strict adherence to that term or any other term of this Certificate of Designation. Any waiver by the Corporation or a Series D Holder must be in writing.

(d) Severability. If any provision of this Certificate of Designation is invalid, illegal or unenforceable, the balance of this Certificate of Designation shall remain in effect, and if any provision is inapplicable to any Person or circumstance, it shall nevertheless remain applicable to all other Persons and circumstances. If it shall be found that any interest or other amount deemed interest due hereunder violates the applicable law governing usury, the applicable rate of interest due hereunder shall automatically be lowered to equal the maximum rate of interest permitted under applicable law.

(e) Next Business Day. Whenever any payment or other obligation hereunder shall be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day, as the case may be.

(f) Headings. The headings contained herein are for convenience only, do not constitute a part of this Certificate of Designation and shall not be deemed to limit or affect any of the provisions hereof.

(g) Status of Redeemed Series D Preferred Stock. If any shares of Series D Preferred Stock shall be reacquired or redeemed by the Corporation, such shares shall resume the status of authorized but unissued shares of preferred stock and shall no longer be designated as Series D Preferred Stock.

[Signature page follows]

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Designation to be signed by its duly authorized officer this 27th day of March, 2024.

AVALO THERAPEUTICS, INC.

By: /s/ Garry A. Neil
Name: Garry A. Neil
Title: Chief Executive Officer

CERTIFICATE OF DESIGNATION
OF
SERIES E NON-VOTING PREFERRED STOCK
OF
AVALO THERAPEUTICS, INC.

Pursuant to Section 151 of the
Delaware General Corporation Law

Avalo Therapeutics, Inc., a Delaware corporation (the " ***Corporation***"), in accordance with the provisions of Section 103 of the Delaware General Corporation Law (the "***DGCL***") does hereby certify that, in accordance with Sections 141(c) and 151 of the DGCL, the following resolution was duly adopted by the Board of Directors of the Corporation (the "***Board***") effective on March 26, 2024:

RESOLVED, that pursuant to the authority granted to and vested in the Board in accordance with the provisions of the Certificate of Incorporation of the Corporation, as amended (the "***Certificate of Incorporation***"), the Board hereby, pursuant to and upon the terms and conditions set forth in the Securities Purchase Agreement, establishes a series of the Corporation's authorized preferred stock, par value $0.001 per share (the "***Series E Preferred Stock***"), which series is designated as the Series E Non-Voting Preferred Stock, par value $0.001 per share, of the Corporation, with the designation, number of shares, powers, preferences, rights, qualifications, limitations and restrictions thereof (in addition to any provisions set forth in the Certificate of Incorporation that are applicable to the Preferred Stock of all classes and series) and one initial authorized share of Series E Preferred Stock, is hereby designated and created as follows:

SERIES E NON-VOTING CONVERTIBLE PREFERRED STOCK

SECTION 1. DEFINITIONS. For the purposes hereof, the following terms shall have the following meanings:

"***Affiliate***" of any Person means any Person, directly or indirectly, Controlling, Controlled by or under common Control with such Person

"***Business Day***" means any day except Saturday, Sunday, any day which shall be a federal legal holiday in the United States or any day on which banking institutions in the State of New York are authorized or required by law or other governmental action to close.

"***Common Stock***" means the Corporation's common stock, par value $0.001 per share, and stock of any other class of securities into which such securities may hereafter be reclassified or changed.

"***Control***" (including its correlative meanings "under common Control with" and "Controlled by") means, with respect to any Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through ownership of securities or partnership or other interests, by contract or otherwise.

"***DGCL***" means the Delaware General Corporation Law.

"***Series E Holder***" means the holder of the share of Series E Preferred Stock.

"***Person***" means any 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.

"***Securities Purchase Agreement***" means the Securities Purchase Agreement, dated March 27, 2024, by and among the Corporation and certain other parties thereto.

SECTION 2. DESIGNATION; AMOUNT AND PAR VALUE; ASSIGNMENT.

(a) The series of preferred stock designated by this Certificate of Designation shall be designated as the Corporation's "Series E Non-Voting Preferred Stock" (the "***Series E Preferred Stock***") and the number of shares so designated shall be one. Each share of Series E Preferred Stock shall have a par value of $0.001 per share.

(b) The Corporation shall register shares of the Series E Preferred Stock, upon records to be maintained by the Corporation for that purpose, in the name of the Holders thereof from time to time. The Corporation may deem and treat the registered holder of shares of Series E Preferred Stock as the Series E Holder and the absolute owner thereof for the all purposes hereunder.

SECTION 3. DIVIDENDS. No dividends shall be paid on shares of Series E Preferred Stock.

SECTION 4. VOTING RIGHTS. Except as otherwise provided herein or as otherwise required by the DGCL, the Series E Preferred Stock shall have no voting rights. However, as long as any shares of Series E Preferred Stock are outstanding, the Corporation shall not, either directly or indirectly by amendment, merger, consolidation, domestication, transfer, continuance, recapitalization, reclassification, waiver, statutory conversion, or otherwise, effect any of the following acts or transactions without (in addition to any other vote required by law or this Certificate of Incorporation), without the written consent of the Series E Holder and any such act or transaction that has not been approved by the Series E Holder prior to such act or transaction being effected shall be null and void ab initio, and of no force or effect: (a) alter or change adversely the powers, preferences or rights given to the Series E Preferred Stock as set forth herein or alter or amend this Certificate of Designation, amend or repeal any provision of, or add any provision to, the Certificate of Incorporation or bylaws of the Corporation, or file any articles of amendment, certificate of designations, preferences, limitations and relative rights of any series of Preferred Stock, if such action would adversely alter or change the preferences, rights, privileges or powers of, or restrictions provided for the benefit of the Series E Preferred Stock, regardless of whether any of the foregoing actions shall be by means of amendment to the Certificate of Incorporation or by merger, consolidation, domestication, transfer, continuance, recapitalization, reclassification, waiver, statutory conversion, or otherwise, (b) increase or decrease the number of authorized shares of Series E Preferred Stock, or (c) enter into any agreement with respect to any of the foregoing.

SECTION 5. RANK. In the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, before any payment or distribution of the Corporation's assets (whether capital or surplus) shall be made to or set apart for the holders of Common Stock, but after any payments or distributions are made on, or set apart for, any of the Corporation's indebtedness and to holders of the Corporation's preferred stock that have senior distribution rights to Series E Preferred Stock, holders of the Series E Preferred Stock shall be entitled to receive an amount per share equal to $0.001 but shall not be entitled to any further payment or other participation in any distribution of the assets of the Corporation.

SECTION 6. CONVERSION. The Series E Preferred Stock shall not be convertible into shares of Common Stock or any other securities of the Corporation.

SECTION 7. BOARD DESIGNATION RIGHT; BOARD OBSERVER RIGHT.

(a) Series E Director Appointment. The Series E Holder, acting exclusively and as a separate class, shall have the right, but not the obligation, to designate and appoint one (1) individual to serve as a director on the Board (the "***Series E Director***") and the Series E Director shall upon such designation be appointed to the Board. The Corporation shall take all reasonable actions within its control to give effect to the provisions of this Section 7.

(b) Removal and Vacancies of the Preferred Stock Director. For so long as the Series E Preferred Stock remains outstanding, the Series E Director may only be removed by the affirmative vote or consent (as the case may be) of the Series E Holder, given either at a special meeting duly called for that purpose or pursuant to a written consent of the Series E Holder, voting exclusively as a single class. If at any time there are no shares of Series E Preferred Stock outstanding, the Series E Director may be removed by a vote of the Board or otherwise pursuant to the Certificate of Incorporation and bylaws of the Corporation then in effect. Any vacancy occurring in the office of the Series E Director shall only be

filled by the affirmative vote or written consent of the Series E Holder pursuant to a written consent of the Series E Holder, and the Corporation shall cause such Series E Director to fill such resulting vacancy.

(c) Board Observer. For so long as the Series E Preferred Stock remains outstanding, the Series E Holder shall also have the right to appoint one non-voting observer (the "***Series E Observer***") to the Board. The Board shall permit the Series E Observer to attend all meetings of the Board and of any committee thereof as a non-voting observer, and will give such individual notice of such meetings at the same time and in the same manner as notice to the members of the Board. The Series E Observer shall be entitled to concurrent receipt of any materials provided to the Board or any committee thereof, *provided, however, that* each the Series E Observer shall agree to hold in confidence and trust all information so provided; *provided further, however, that* the Board reserves the right to withhold any materials and to exclude the Series E Observer from any meeting or portion thereof if access to such materials or attendance at such meeting could constitute a conflict of interest, adversely affect the attorney-client privilege between the Corporation and its counsel or result in disclosure of trade secrets.

SECTION 8. TRANSFER. The share of Series E Preferred Stock in whole, or in part, together with the accompanying rights set forth herein, may be transferred by the holder thereof without the consent of the Corporation; provided that (i) such transfer is to an Affiliate of such holder and (ii) in compliance with applicable securities laws. Except as provided by the immediately preceding sentence, the shares of Series E Preferred Stock shall not be transferrable by the holder thereof. The Corporation shall in good faith (i) do and perform, or cause to be done and performed, all such further acts and things, and (ii) execute and deliver all such other agreements, certificates, instruments and documents, in each case, as any may be reasonably requested by a Series E Holder in order to carry out the intent and accomplish the purposes of this Section 8.

SECTION 9. SERIES E PREFERRED STOCK REGISTER. The Corporation shall maintain at its principal executive offices (or such other office or agency of the Corporation as it may designate by notice to the Holders), a register for the Series E Preferred Stock, in which the Corporation shall record (i) the name, address and electronic mail address of the Series E Holder and (ii) the name, address, electronic mail address and facsimile number of each transferee of any shares of Series E Preferred Stock. The Corporation may treat the person in whose name any share of Series E Preferred Stock is registered on the register as the owner and holder thereof for all purposes.

SECTION 10. REDEMPTIONS.

(a) Holder Redemption. At any time, and from time to time, in its sole discretion, the Series E Holder may require the Corporation to redeem the Series E Preferred Stock for the par value thereof (a "***Holder Redemption***"). To exercise a Holder Redemption, the Series E Holder must deliver to the Corporation (i) a notice of redemption (a "***Holder Redemption Notice***") stating that the Series E Holder is exercising its redemption right pursuant to this Section 10(a) and (ii) if the Series E Preferred Stock is represented by physical certificates, such physical certificate.

(b) Corporation Redemption. At any time that the Series E Holder together with its affiliates holds less than 5.0% of the total outstanding shares of Common Stock of the Corporation (for the purposes hereof, assuming the conversion or exercise in full of any securities convertible into or exercisable for shares of Common Stock held by such holders without giving effect to any restrictions on conversion or exercise included therein), the Corporation may redeem the Series E Preferred Stock for the par value thereof (a "***Corporation Redemption***"). To exercise a Corporation Redemption, the Corporation must deliver to the Holder (i) a notice of redemption (a "***Corporation Redemption Notice***") stating that the Corporation is exercising its redemption right pursuant to this Section 10(b) and (ii) that, upon redemption, any physical certificates representing shares if the Series E Preferred Stock shall be cancelled in connection with such Corporation Redemption.

(c) Effect of Redemption. Upon receipt of a Holder Redemption Notice or delivery of a Corporation Redemption Notice, the Corporation shall pay to the Series E Holder the par value of the shares of Series E Preferred Stock and the Series E Preferred Stock shall no longer be outstanding.

SECTION 11. MISCELLANEOUS.

(a) Notices. Any and all notices or other communications or deliveries to be provided by the Holders hereunder shall be in writing and delivered personally, by email, or sent by a nationally recognized overnight courier service, addressed to the Corporation, at 540 Gaither Road, Suite 400, Rockville, Maryland 20850, or such other address or email address as the Corporation may specify for such purposes by notice to the Holders delivered in accordance with this Section. Any and all notices or other communications or deliveries to be provided by the Corporation hereunder shall be in writing and delivered personally or sent by a nationally recognized overnight courier service or email addressed to each Holder at the address of such Holder appearing on the books of the Corporation, or if no such address appears on the books of the Corporation, at the principal place of business of such Holder. Any notice or other communication or deliveries hereunder shall be deemed given and effective on the earliest of (i) the date of transmission, if such notice or communication is delivered via email at the email address specified in or pursuant to this Section prior to 5:30 p.m. (New York City time) on any date, (ii) the date immediately following the date of transmission, if such notice or communication is delivered via mail at the email address specified in or pursuant to this Section between 5:30 p.m. and 11:59 p.m. (New York City time) on any date, (iii) the second (2nd) Business Day following the date of mailing, if sent by nationally recognized overnight courier service, or (iv) upon actual receipt by the party to whom such notice is required to be given.

(b) Lost or Mutilated Series E Preferred Stock Certificate. If a Series E Holder's Series E Preferred Stock certificate shall be mutilated, lost, stolen or destroyed, the Corporation shall execute and deliver, in exchange and substitution for and upon cancellation of a mutilated certificate, or in lieu of or in substitution for a lost, stolen or destroyed certificate, a new certificate for the shares of Series E Preferred Stock so mutilated, lost, stolen or destroyed, but only upon receipt of evidence of such loss, theft or destruction of such certificate, and of the ownership thereof, reasonably satisfactory to the Corporation and, in each case, customary and reasonable indemnity, if requested. Applicants for a new certificate under such circumstances shall also comply with such other reasonable regulations and procedures and pay such other reasonable third-party costs as the Corporation may prescribe.

(c) Waiver. Any waiver by the Corporation or a Series E Holder of a breach of any provision of this Certificate of Designation shall not operate as or be construed to be a waiver of any other breach of such provision or of any breach of any other provision of this Certificate of Designation or a waiver by any other holder. The failure of the Corporation or a Series E Holder to insist upon strict adherence to any term of this Certificate of Designation on one or more occasions shall not be considered a waiver or deprive that party (or any other holder) of the right thereafter to insist upon strict adherence to that term or any other term of this Certificate of Designation. Any waiver by the Corporation or a Series E Holder must be in writing.

(d) Severability. If any provision of this Certificate of Designation is invalid, illegal or unenforceable, the balance of this Certificate of Designation shall remain in effect, and if any provision is inapplicable to any Person or circumstance, it shall nevertheless remain applicable to all other Persons and circumstances. If it shall be found that any interest or other amount deemed interest due hereunder violates the applicable law governing usury, the applicable rate of interest due hereunder shall automatically be lowered to equal the maximum rate of interest permitted under applicable law.

(e) Next Business Day. Whenever any payment or other obligation hereunder shall be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day, as the case may be.

(f) Headings. The headings contained herein are for convenience only, do not constitute a part of this Certificate of Designation and shall not be deemed to limit or affect any of the provisions hereof.

(g) Status of Redeemed Series E Preferred Stock. If any shares of Series E Preferred Stock shall be reacquired or redeemed by the Corporation, such shares shall resume the status of authorized but unissued shares of preferred stock and shall no longer be designated as Series E Preferred Stock.

[Signature page follows]

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Designation to be signed by its duly authorized officer this 27th day of March, 2024.

AVALO THERAPEUTICS, INC.

By: /s/ Garry A. Neil
Name: Garry A. Neil
Title: Chief Executive Officer

NEITHER THE SECURITIES REPRESENTED HEREBY NOR THE SECURITIES ISSUABLE UPON THE EXERCISE OF THIS WARRANT HAVE BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR ANY STATE SECURITIES LAWS. SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE COMPANY, (B) IN COMPLIANCE WITH RULE 144 UNDER THE SECURITIES ACT, IF AVAILABLE, AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, (C) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT, OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAWS. HEDGING TRANSACTIONS INVOLVING THESE SECURITIES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE SECURITIES ACT. THIS SECURITY AND THE SECURITIES ISSUABLE UPON EXERCISE OF THIS SECURITY MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN SECURED BY SUCH SECURITIES.

WARRANT TO PURCHASE

SHARES OF COMMON STOCK

OF

AVALO THERAPEUTICS, INC.

No. of Shares of Common Stock: [_____]

Date of Issuance: March [●], 2024

FOR VALUE RECEIVED, the undersigned, Avalo Therapeutics, Inc., a Delaware corporation (together with its successors and assigns, the "Issuer" or the "Company"), hereby certifies that [●] (the "Holder") or its permitted assigns is entitled to subscribe for and purchase, during the Term (as hereinafter defined), in accordance with the terms of this Warrant (as defined below), this Warrant shall entitle the registered owner thereof to purchase such number of shares of common stock, par value $0.001 per share, of the Issuer as set forth above, at an exercise price of $5.796933 per share (the "Warrant Price"), or a number of shares of Series C Preferred Stock, par value $0.001 per share, of the Issuer, convertible into the number of shares of common stock the Warrant is then exercisable into (together with the common stock, the "Shares" or "Warrant Shares"), in each case subject to adjustment herein. This Warrant is issued in accordance with, and subject to, the terms and conditions of the Purchase Agreement (as defined below). Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Purchase Agreement.

1. Term. The Holder may exercise this Warrant for a period which shall (a) commence on (i) the date hereof if exercised for shares of Series C Preferred Stock, or (ii) upon receipt of the Requisite Stockholder Approval if exercised for shares of Common Stock, and (b) expire on the earlier of (i) the fifth (5^{th}) anniversary of the date of issuance or (ii) the thirty first (31st) day following the public announcement of the first patient dosed in a phase 2 trial of AVTX-009 in hidradenitis suppurativa (such date in (ii) hereinafter the "Dosing Date"); *provided*, *however*, if the Requisite Stockholder Approval has not been received as of the Dosing Date, then the expiration date shall be the earlier of (x) the fifth (5^{th}) anniversary of the date of issuance or (y) the thirty first (31^{st}) day following the receipt of the Requisite Stockholder Approval (such period being the "Term").

2. Method of Exercise; Payment; Issuance of New Warrant; Transfer and Exchange.

(a) Time of Exercise. The purchase rights represented by this Warrant may be exercised in whole or in part during the Term.

(b) Method of Exercise. Exercise of the purchase rights represented by this Warrant may be made, in whole or in part, at any time or times during the Term by delivery to the Company of a duly executed PDF copy submitted by e-mail (or e-mail attachment) of the Notice of Exercise in the form annexed hereto (the "Notice of Exercise"). Within the earlier of (i) two (2) Trading Days and (ii) the number of Trading Days comprising the Standard Settlement Period (as defined in this Section 2(b)) following the date of exercise as aforesaid, the Holder shall deliver the aggregate Warrant Price for the shares specified in the applicable Notice of Exercise by wire transfer or cashier's check drawn on a United States bank. No ink-original Notice of Exercise shall be required, nor shall any medallion guarantee (or other type of guarantee or notarization) of any Notice of Exercise be required. Notwithstanding anything herein to the contrary, the Holder shall not be required to physically surrender this Warrant to the Company until the Holder has purchased all of the Warrant Shares available hereunder and the Warrant has been exercised in full, in which case, the Holder shall surrender this Warrant to the Company for cancellation as soon as reasonably practicable of the date on which the final Notice of Exercise is delivered to the Company. Partial exercises of this Warrant resulting in purchases of a portion of the total number of Warrant Shares available hereunder shall have the effect of lowering the outstanding number of Warrant Shares purchasable hereunder in an amount equal to the applicable number of Warrant Shares purchased. The Holder and the Company shall maintain records showing the number of Warrant Shares purchased and the date of such purchases. The Company shall deliver any objection to any Notice of Exercise within one (1) Business Day of receipt of such notice. **The Holder and any assignee, by acceptance of this Warrant, acknowledge and agree that, by reason of the provisions of this paragraph, following the purchase of a portion of the Warrant Shares hereunder, the number of Warrant Shares available for purchase hereunder at any given time may be less than the amount stated on the face hereof.** As used herein, "Standard Settlement Period" means the standard settlement period, expressed in a number of Trading Days, on the Company's Principal Market with respect to the Shares as in effect on the date of delivery of the Notice of Exercise.

(c) Issuance of Shares. In the event of any exercise of this Warrant in accordance with and subject to the terms and conditions hereof, including the payment to the Company of the aggregate Warrant Price for the Warrant Shares, the Warrant Shares shall be issued and registered in the Issuer's register of members in the name of the Holder, or, at the request of the Holder (provided that a registration statement under the Securities Act providing for the resale of the Warrant Shares is then in effect or that the Warrant Shares are otherwise exempt from registration), issued and delivered to the Depository Trust Company ("DTC") account on the Holder's behalf via the Deposit Withdrawal At Custodian (" DWAC") by the date that is the earlier of (i) two (2) Trading Days after the delivery to the Company of the Notice of Exercise, and (ii) the number of Trading Days comprising the Standard Settlement Period after the delivery to the Company of the Notice of Exercise (such date, the "Delivery Date"), and for purposes of Regulation SHO of the Securities Exchange Act of 1934 (the "Exchange Act"), as amended, the Holder hereof shall be deemed to be the holder of the Warrant Shares so purchased as of the date of such exercise. Notwithstanding the foregoing to the contrary, the Issuer or its transfer agent shall be obligated to issue and deliver the Warrant Shares to the DTC on a holder's behalf via DWAC only if such exercise is in connection with a sale or contemplated or proposed sale of the Warrant Shares or other exemption from registration by which the Warrant Shares may be issued without a restrictive legend and the Issuer's transfer agent is participating in DTC through the DWAC system. The Company agrees to maintain a transfer agent that is a participant in the FAST program of DTC so long as this Warrant remains outstanding and exercisable. This Warrant shall be exercisable, either in its entirety or, from time to time, for part only of the number of Warrant Shares referenced by this Warrant. If this Warrant is submitted in connection with any partial exercise and the number of Warrant Shares represented by this Warrant submitted for exercise is greater than the actual number of Warrant Shares being acquired upon such exercise, then the Company shall, as soon as practicable, and in no event later than two Trading Days after any exercise, and at its own expense, issue a new Warrant of like tenor representing the right to purchase the number of Warrant Shares purchasable immediately prior to such exercise under this Warrant, less the number of Warrant Shares with respect to which this Warrant is exercised. With respect to partial exercises of this Warrant, the Issuer shall keep written records for the Holder of the number of Warrant Shares exercised as of each date of exercise.

(d) Compensation for Buy-In on Failure to Timely Deliver Shares upon Exercise . In addition to any other rights available to the Holder, if the Issuer fails to cause its transfer agent to issue

and register such Warrant Shares in the Issuer's register of stockholders in the name of the Holder, as applicable, pursuant to an exercise on or before the Delivery Date, and if after such date the Holder is required by its broker to purchase (in an open market transaction or otherwise), or the Holder's broker otherwise purchases, Shares to deliver in satisfaction of a sale by the Holder of the Warrant Shares which the Holder anticipated receiving upon such exercise (a "Buy-In"), then the Issuer shall (1) pay in cash to the Holder (in addition to any other remedies available to or elected by such Holder) the amount by which (x) the Holder's total purchase price (including brokerage commissions, if any) for the Shares so purchased exceeds (y) the amount obtained by multiplying (A) the number of Warrant Shares that the Issuer was required to deliver to the Holder in connection with the exercise at issue times (B) the price at which the sell order giving rise to such purchase obligation was executed, and (2) at the option of the Holder, either reinstate the portion of the Warrant and equivalent number of Warrant Shares for which such exercise was not honored or deliver to the Holder the number of Shares that would have been issued had the Issuer timely complied with its exercise and delivery obligations hereunder. For example, if the Holder purchases Shares having a total purchase price of $11,000 to cover a Buy-In with respect to an attempted exercise of Shares with an aggregate sale price giving rise to such purchase obligation of $10,000, under clause (1) of the immediately preceding sentence the Issuer shall be required to pay the Holder $1,000. The Holder shall provide the Issuer written notice indicating the amounts payable to the Holder in respect of the Buy-In, together with applicable confirmations and other evidence reasonably requested by the Issuer. Nothing herein shall limit a Holder's right to pursue any other remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief with respect to the Issuer's failure to timely deliver certificates representing Shares or register such Warrant Shares in book-entry form in the name of the Holder, as applicable, upon exercise of this Warrant as required pursuant to the terms hereof.

(e) Restrictions on Transfer; Restrictive Legend. In connection with any permitted transfer of the Warrants, it shall be a condition of such transfer that the transferee agree to be bound by the terms of this Section 2(e) and the other terms of this Agreement. In addition to any other required legends, each Warrant shall bear a legend referring to the foregoing restriction on transfer. The transfer restrictions set forth in the Warrant and the foregoing provisions of this Section 2(e) shall terminate as to any particular Warrants when such Warrants shall have been effectively registered under the Securities Act or sold pursuant to a public sale. Whenever such transfer restrictions shall terminate as to any Warrants, the Holder thereof shall be entitled to receive from the Company, at the Company's sole expense, new Warrants without the foregoing legend.

(f) Transferability of Warrant. Except as set forth in this Warrant and subject to applicable federal and state securities Laws, the Warrant and Warrant Shares shall be freely transferable by the Holder to any Person.

(g) Continuing Rights of Holder. The Issuer will, at the time of, or at any time after, each exercise of this Warrant, upon the request of the Holder hereof, acknowledge in writing the extent, if any, of its continuing obligation to afford to such Holder all rights to which such Holder shall continue to be entitled after such exercise in accordance with the terms of this Warrant, provided that if any such Holder shall fail to make any such request, the failure shall not affect the continuing obligation of the Issuer to afford such rights to such Holder.

(h) Compliance with Securities Laws.

(i) The Holder of this Warrant, by acceptance hereof, acknowledges that this Warrant and the Warrant Shares to be issued upon exercise hereof are being acquired solely for the Holder's own account and not as a nominee for any other party, and for investment, and that the Holder will not offer, sell or otherwise dispose of this Warrant or any Warrant Shares to be issued upon exercise hereof except pursuant to an effective registration statement, or an exemption from registration, under the Securities Act and any applicable state securities laws.

(ii) Except as provided in paragraph (iii) below, this Warrant shall be stamped or imprinted with a legend in substantially the following form:

NEITHER THE SECURITIES REPRESENTED HEREBY NOR THE SECURITIES ISSUABLE UPON THE EXERCISE OF THIS WARRANT HAVE BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR ANY STATE SECURITIES LAWS. SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE COMPANY, (B) IN COMPLIANCE WITH RULE 144 UNDER THE SECURITIES ACT, IF AVAILABLE, AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, (C) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT, OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAWS. HEDGING TRANSACTIONS INVOLVING THESE SECURITIES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE SECURITIES ACT. THIS SECURITY AND THE SECURITIES ISSUABLE UPON EXERCISE OF THIS SECURITY MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN SECURED BY SUCH SECURITIES.

(iii) The Issuer agrees to reissue this Warrant, if at such time, prior to making any transfer of any such securities, the Holder shall give written notice to the Issuer describing the manner and terms of such transfer. Such proposed transfer will not be effected until: (a) either (i) other than with respect to transfer to Affiliates of the Issuer, the Issuer has received an opinion of counsel reasonably satisfactory to the Issuer, to the effect that the registration or qualification of such securities under the Securities Act is not required in connection with such proposed transfer, (ii) a registration statement under the Securities Act or state securities laws covering such proposed disposition has been filed by the Issuer with the Securities and Exchange Commission and has become effective under the Securities Act and the securities have been qualified under state securities laws, (iii) the Issuer has received other evidence reasonably satisfactory to the Issuer that such registration and qualification under the Securities Act and state securities laws are not required, or (iv) the Holder provides the Issuer with reasonable assurances that such security can be sold pursuant to Rule 144 under the Securities Act; and (b) either (i) the Issuer has received reasonable assurance that registration or qualification under the securities or "blue sky" laws of any state is not required in connection with such proposed disposition, or (ii) compliance with applicable state securities or "blue sky" laws has been effected or a valid exemption exists with respect thereto. The Issuer will respond to any such notice from a holder within five Trading Days. In the case of any proposed transfer under this Section 2(h), the Issuer will use reasonable efforts to comply with any such applicable state securities or "blue sky" laws, but shall in no event be required, (x) to qualify to do business in any state where it is not then qualified, (y) to take any action that would subject it to tax or to the general service of process in any state where it is not then subject, or (z) to comply with state securities or "blue sky" laws of any state for which registration by coordination is unavailable to the Issuer. The restrictions on transfer contained in this Section 2(h) shall be in addition to, and not by way of limitation of, any other restrictions on transfer contained in any other Section of this Warrant. Whenever a certificate representing the Warrant Shares is required to be issued to the Holder without a legend, in lieu of delivering physical certificates representing the Warrant Shares, the Issuer shall cause its transfer agent to electronically transmit the Warrant Shares to the Holder by crediting the account of the Holder or Holder's prime broker with DTC through its DWAC system (to the extent not inconsistent with any provisions of this Warrant or the Purchase Agreement).

(i) Accredited Investor Status. In no event may the Holder exercise this Warrant in whole or in part unless the Holder is an "accredited investor" as defined in Regulation D under the Securities Act.

3. Shares Fully Paid; Reservation and Listing of Shares; Covenants.

(a) Shares Fully Paid; Reservation. The Issuer represents, warrants, covenants and agrees that all Warrant Shares which may be issued upon the exercise of this Warrant or otherwise hereunder will, when issued in accordance with the terms of this Warrant, be duly authorized, validly issued, fully paid and non-assessable and free from all taxes, liens and charges created by or through the Issuer. The Issuer further covenants and agrees that during the period within which this Warrant may be exercised, the Issuer will at all times have authorized and reserved for the purpose of the issuance upon exercise of this Warrant a number of authorized but unissued Shares equal to at least the number of Shares issuable upon exercise of this Warrant without regard to any limitations on exercise.

(b) Registration; Listing. If any Shares required to be reserved for issuance upon exercise of this Warrant or as otherwise provided hereunder require registration or qualification with any Governmental Authority under any federal or state law before such shares may be so issued, the Issuer will in good faith use its best efforts as expeditiously as possible at its expense to cause such shares to be duly registered or qualified. If the Issuer shall list any Shares on any securities exchange or market it will, at its expense, list thereon, and maintain and increase when necessary such listing, of, all Warrant Shares from time to time issued upon exercise of this Warrant or as otherwise provided hereunder (provided that such Warrant Shares have been registered pursuant to a registration statement under the Securities Act then in effect), and, to the extent permissible under the applicable securities exchange rules, all unissued Warrant Shares which are at any time issuable hereunder, so long as any Shares shall be so listed. The Issuer will also so list on each securities exchange or market, and will maintain such listing of, any other securities which the Holder of this Warrant shall be entitled to receive upon the exercise of this Warrant if at the time any securities of the same class shall be listed on such securities exchange or market by the Issuer.

(c) Covenants. The Issuer shall not by any action including, without limitation, amend the Certificate of Incorporation or Bylaws of the Issuer, or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such actions as may be necessary or appropriate to protect the rights of the Holder hereof. Without limiting the generality of the foregoing, the Issuer will (i) not permit the par value, if any, of its Shares to exceed the then effective Warrant Price, (ii) not amend or modify any provision of the Certificate of Incorporation or Bylaws of the Issuer in any manner that would adversely affect the rights of the Holder, (iii) take all such action as may be reasonably necessary in order that the Issuer may validly and legally issue fully paid and nonassessable Shares, free and clear of any liens, claims, encumbrances and restrictions (other than as provided herein) upon the exercise of this Warrant, and (iv) use its reasonable efforts to obtain all such authorizations, exemptions or consents from any public regulatory body having jurisdiction thereof as may be reasonably necessary to enable the Issuer to perform its obligations under this Warrant.

(d) Loss, Theft, Destruction of Warrant. Upon receipt of evidence reasonably satisfactory to the Issuer of the ownership of and the loss, theft, destruction or mutilation of any Warrant and, in the case of any such loss, theft or destruction, upon receipt of indemnity (but not the posting of any surety or other bond) reasonably satisfactory to the Issuer or, in the case of any such mutilation, upon surrender and cancellation of such Warrant, the Issuer will make and deliver, in lieu of such lost, stolen, destroyed or mutilated Warrant, a new Warrant of like tenor and representing the right to purchase the number of Shares remaining available upon exercise of the Warrant which has been lost, stolen, destroyed or mutilated.

(e) Payment of Taxes. The Issuer will pay all transfer and issuance taxes attributable to the preparation, issuance and delivery of this Warrant (and any replacement Warrants) including, without limitation, all documentary and stamp taxes attributable to the initial issuance of the Warrant Shares issuable upon exercise of this Warrant; *provided, however*, that the Issuer shall not be required to pay any tax or taxes which may be payable in respect of any transfer involved in the issuance or delivery of any certificates representing Warrant Shares or registration of such Warrant Shares in book-entry form, as applicable, in a name other than that of the Holder in respect to which such shares are issued.

4. Adjustment of Warrant Price. The price at which such Warrant Shares may be purchased upon exercise of this Warrant and/or the number of Warrant Shares issuable shall be subject to adjustment from time to time as set forth in this Section 4. The Issuer shall give the Holder notice of any event described below which requires an adjustment pursuant to this Section 4 in accordance with the notice provisions set forth in Section 5.

(a) Recapitalization, Reorganization, Reclassification, Consolidation, Merger or Sale. In the event that the Holder has elected not to exercise this Warrant prior to the consummation of a Change of Control, the Surviving Corporation and/or each Person (other than the Issuer) which may be required to deliver any Securities, cash or property upon the exercise of this Warrant as provided herein shall assume, by written instrument delivered to, and reasonably satisfactory to, the Holder of this Warrant, (A) the obligations of the Issuer under this Warrant, including, without limitation, those under the Purchase Agreement (and if the Issuer shall survive the consummation of such Change of Control, such assumption shall be in addition to, and shall not release the Issuer from, any continuing obligations of the Issuer under this Warrant), and (B) the obligation to deliver to such Holder such Securities, cash or property as, in accordance with the foregoing provisions of this Section 4(a), such Holder shall be entitled to receive, and the Surviving Corporation and/or each such Person shall have similarly delivered to such Holder an opinion of counsel for the Surviving Corporation and/or each such Person, which counsel shall be reasonably satisfactory to such Holder, or in the alternative, a written acknowledgement executed by the President or Chief Financial Officer of the Issuer, stating that this Warrant shall thereafter continue in full force and effect and the terms hereof (including, without limitation, all of the provisions of this Section 4(a)) shall be applicable to the Securities, cash or property which the Surviving Corporation and/or each such Person may be required to deliver upon any exercise of this Warrant or the exercise of any rights pursuant hereto.

(b) Share Dividends, Subdivisions and Combinations. If at any time the Issuer shall:

(i) make or issue or set a record date for the holders of the Shares for the purpose of entitling them to receive a dividend payable in, or other distribution of, Shares,

(ii) undertake a division of its outstanding Shares into a larger number of Shares, or

(iii) undertake a combination of its outstanding Shares into a smaller number of Shares, then (1) the number of Shares for which this Warrant is exercisable immediately after the occurrence of any such event shall be adjusted to equal the number of Shares which a record holder of the same number of Shares for which this Warrant is exercisable immediately prior to the occurrence of such event would own or be entitled to receive after the happening of such event, and (2) the Warrant Price then in effect shall be adjusted to equal (A) the Warrant Price then in effect multiplied by the number of Shares for which this Warrant is exercisable immediately prior to the adjustment divided by (B) the number of Shares for which this Warrant is exercisable immediately after such adjustment.

(c) Certain Other Distributions. If at any time the Issuer shall make or issue or set a record date for the holders of the Shares for the purpose of entitling them to receive any dividend or other distribution of:

(i) cash,

(ii) any evidences of its indebtedness, any shares of stock of any class or any other securities or property of any nature whatsoever (other than cash, Share Equivalents or Additional Shares), or

(iii) any warrants or other rights to subscribe for or purchase any evidences of its indebtedness, any shares of stock of any class or any other securities or property of any nature whatsoever (other than cash, Share Equivalents or Additional Shares),

then (1) the number of Shares for which this Warrant is exercisable shall be adjusted to equal the product of the number of Shares for which this Warrant is exercisable immediately prior to such adjustment multiplied by a fraction (A) the numerator of which shall be the Per Share Market Value of Shares at the date of taking such record and (B) the denominator of which shall be such Per Share Market Value minus the amount allocable to one share of Shares of any such cash so distributable and of the fair value (as determined in good faith by the Board of Directors of the Issuer and supported by an opinion from an investment banking firm mutually agreed upon by the Issuer and the Holder) of any and all such evidences of indebtedness, shares of stock, other securities or property or warrants or other subscription or purchase rights so distributable, and (2) the Warrant Price then in effect shall be adjusted to equal (A) the Warrant Price then in effect multiplied by the number of Shares for which this Warrant is exercisable immediately prior to the adjustment divided by (B) the number of Shares for which this Warrant is exercisable immediately after such adjustment. A reclassification of the Shares (other than a change in par value, or from par value to no par value or from no par value to par value) into Shares and shares of any other class of stock shall be deemed a distribution by the Issuer to the holders of its Shares of such shares of such other class of stock within the meaning of this Section 4(c) and, if the outstanding Shares shall be changed into a larger or smaller number of Shares as a part of such reclassification, such change shall be deemed a subdivision or combination, as the case may be, of the outstanding Shares within the meaning of Section 4(b).

(d) Issuance of Additional Shares. In the event the Issuer shall at any time following the Closing Date issue any Additional Shares (otherwise than as provided in the foregoing subsections (b) through (c) of this Section 4), at a price per share less than the Warrant Price then in effect or without consideration, then the Warrant Price upon each such issuance shall be adjusted to the price equal to the consideration per share paid for such Additional Shares, *provided, however*, notwithstanding anything to the contrary, no adjustment to the Warrant Price shall occur as a result of the issuance or deemed issuance of Additional Shares if the Company receives written notice from the holders of at least a majority in interest of the aggregate number of shares of common stock then issuable (without regards to any exercise limitations) upon exercise of the then outstanding warrants issued pursuant to the Purchase Agreement (the "Outstanding Warrants"), which majority shall include each of the Lead Investors (as defined in the Purchase Agreement), agreeing that no such adjustment shall be made as the result of the issuance or deemed issuance of such Additional Shares.

(e) Issuance of Share Equivalents. In the event the Issuer shall at any time following the Closing Date take a record of the holders of its Shares for the purpose of entitling them to receive a distribution of, or shall in any manner (whether directly or by assumption in a merger in which the Issuer is the surviving corporation) issue or sell, any Share Equivalents, whether or not the rights to exchange or convert thereunder are immediately exercisable, and the price per share for which Shares are issuable upon such conversion or exchange shall be less than the Warrant Price in effect immediately prior to the time of such issue or sale, or if, after any such issuance of Share Equivalents, the price per share for which Additional Shares may be issuable thereafter is amended or adjusted, and such price as so amended shall be less than the Warrant Price in effect at the time of such amendment or adjustment, then the Warrant Price then in effect shall be adjusted as provided in Section 4(d). No further adjustments of the number of Shares for which this Warrant is exercisable and the Warrant Price then in effect shall be made upon the actual issue of such Shares upon conversion or exchange of such Share Equivalents.

(f) Other Provisions applicable to Adjustments under this Section. The following provisions shall be applicable to the making of adjustments of the number of Shares for which this Warrant is exercisable and the Warrant Price then in effect provided for in this Section 4:

(i) Computation of Consideration. To the extent that any Additional Shares or any Share Equivalents (or any warrants or other rights therefor) shall be issued for cash consideration, the consideration received by the Issuer therefor shall be the amount of the cash received by the Issuer therefor, or, if such Additional Shares or Share Equivalents are offered by the Issuer for subscription, the subscription price, or, if such Additional Shares or Share Equivalents are sold to underwriters or dealers for public offering without a subscription offering, the initial public offering price (in any such case subtracting any amounts paid or receivable for accrued interest or accrued dividends and without taking into account any compensation, discounts or expenses paid or incurred by the Issuer for and in the

underwriting of, or otherwise in connection with, the issuance thereof). In connection with any merger or consolidation in which the Issuer is the Surviving Corporation (other than any consolidation or merger in which the previously outstanding Shares of the Issuer shall be changed to or exchanged for the stock, ordinary or Shares, or other securities of another corporation), the amount of consideration therefor shall be deemed to be the fair value, as determined reasonably and in good faith by the Board, of such portion of the assets and business of the non-surviving corporation as the Board may determine to be attributable to such Shares or Share Equivalents, as the case may be. The consideration for any Additional Shares issuable pursuant to any warrants or other rights to subscribe for or purchase the same shall be the consideration received by the Issuer for issuing such warrants or other rights plus the additional consideration payable to the Issuer upon exercise of such warrants or other rights. The consideration for any Additional Shares issuable pursuant to the terms of any Share Equivalents shall be the consideration received by the Issuer for issuing warrants or other rights to subscribe for or purchase such Share Equivalents, plus the consideration paid or payable to the Issuer in respect of the subscription for or purchase of such Share Equivalents, plus the additional consideration, if any, payable to the Issuer upon the exercise of the right of conversion or exchange in such Share Equivalents. In the event of any consolidation or merger of the Issuer in which the Issuer is not the Surviving Corporation or in which the previously outstanding Shares of the Issuer shall be changed into or exchanged for the stock, ordinary or Shares, or other securities of another corporation, or in the event of any sale of all or substantially all of the assets of the Issuer for stock, ordinary or Shares, or other securities of any corporation, the Issuer shall be deemed to have issued a number of Shares for stock, ordinary or Shares, or securities or other property of the other corporation computed on the basis of the actual exchange ratio on which the transaction was predicated, and for a consideration equal to the fair market value on the date of such transaction of all such stock, ordinary or Shares, or securities or other property of the other corporation. In the event any consideration received by the Issuer for any securities consists of property other than cash, the fair market value thereof at the time of issuance or as otherwise applicable shall be as determined in good faith by the Board. In the event Shares are issued with other shares or securities or other assets of the Issuer for consideration which covers both, the consideration computed as provided in this Section 4(f)(i) shall be allocated among such securities and assets as determined in good faith by the Board.

(ii) When Adjustments to Be Made. The adjustments required by this Section 4 shall be made whenever and as often as any specified event requiring an adjustment shall occur, except that any adjustment of the number of Shares for which this Warrant is exercisable that would otherwise be required may be postponed (except in the case of a subdivision or combination of Shares, as provided for in Section 4(b)) up to, but not beyond the date of exercise if such adjustment either by itself or with other adjustments not previously made adds or subtracts less than one percent of the Shares for which this Warrant is exercisable immediately prior to the making of such adjustment. Any adjustment representing a change of less than such minimum amount (except as aforesaid) which is postponed shall be carried forward and made as soon as such adjustment, together with other adjustments required by this Section 4 and not previously made, would result in a minimum adjustment or on the date of exercise. For the purpose of any adjustment, any specified event shall be deemed to have occurred at the close of business on the date of its occurrence.

(iii) Fractional Interests. In computing adjustments under this Section 4, fractional interests in Shares shall be taken into account to the nearest 1/100th of a share.

(iv) When Adjustment Not Required. If the Issuer shall take a record of the holders of its Shares for the purpose of entitling them to receive a dividend or distribution or subscription or purchase rights and shall, thereafter and before the distribution to shareholders thereof, legally abandon its plan to pay or deliver such dividend, distribution, subscription or purchase rights, then thereafter no adjustment shall be required by reason of the taking of such record and any such adjustment previously made in respect thereof shall be rescinded and annulled.

(g) Form of Warrant after Adjustments. The form of this Warrant need not be changed because of any adjustments in the Warrant Price or the number and kind of Securities purchasable upon the exercise of this Warrant.

5. Notice of Adjustments. Whenever the Warrant Price or Warrant Share Number shall be adjusted pursuant to Section 4 hereof (for purposes of this Section 5, each an "adjustment"), the Issuer shall cause its Chief Financial Officer to prepare and execute a certificate setting forth, in reasonable detail, the event requiring the adjustment, the amount of the adjustment, the method by which such adjustment was calculated (including a description of the basis on which the Board made any determination hereunder), and the Warrant Price and Warrant Share Number after giving effect to such adjustment, and shall cause copies of such certificate to be delivered to the Holder of this Warrant promptly after each adjustment. Any dispute between the Issuer and the Holder of this Warrant with respect to the matters set forth in such certificate may at the option of the Holder of this Warrant be submitted to a national or regional accounting firm reasonably acceptable to the Issuer and the Holder, provided that the Issuer shall have 10 days after receipt of notice from such Holder of its selection of such firm to object thereto, in which case such Holder shall select another such firm and the Issuer shall have no such right of objection. The firm selected by the Holder of this Warrant as provided in the preceding sentence shall be instructed to deliver a written opinion as to such matters to the Issuer and such Holder within 30 days after submission to it of such dispute. Such opinion shall be final and binding on the parties hereto. The costs and expenses of the initial accounting firm shall be paid equally by the Issuer and the Holder and, in the case of an objection by the Issuer, the costs and expenses of the subsequent accounting firm shall be paid in full by the Issuer.

6. Fractional Shares. No fractional Warrant Shares will be issued in connection with any exercise hereof, but in lieu of such fractional shares, the Issuer shall round the number of shares to be issued upon exercise up to the nearest whole number of shares.

7. Ownership Cap and Exercise Restriction.

(a) The Company shall not effect any conversion of any share of Series C Preferred Stock or issue any Warrant Shares upon exercise of the Warrants, and a Holder shall not have the right to convert or exercise, as applicable, any portion of such securities, to the extent that, after giving effect to such attempted conversion or exercise set forth on an applicable Notice of Conversion (as defined in the Series C Certificate of Designation) and Notice of Exercise, such Holder (together with any other Person whose beneficial ownership of Common Stock would be aggregated with the Holder's for purposes of Section 13(d) or Section 16 of the Exchange Act and the applicable rules and regulations of the Commission, including any "group" of which the Holder is a member (the foregoing, "***Attribution Parties***")) would beneficially own a number of shares of Common Stock in excess of the Beneficial Ownership Limitation (as defined below). For purposes of the foregoing sentence, the number of shares of Common Stock beneficially owned by such Holder and its Attribution Parties shall include the number of shares of Common Stock issuable upon conversion or exercise, as applicable, of the Series C Preferred Stock or Warrants, as the case may be, subject to the Notice of Conversion (as defined in the Series C Certificate of Designation) or Automatic Conversion or Notice of Exercise, as applicable, with respect to which such determination is being made, but shall exclude the number of shares of Common Stock which are issuable upon (A) conversion of the remaining, unconverted Series C Preferred Stock beneficially owned by such Holder or any of its Attribution Parties, and (B) exercise or conversion of the unexercised or unconverted portion of any other securities of the Corporation (including any Warrants) beneficially owned by such Holder or any of its Attribution Parties that are subject to and would exceed a limitation on conversion or exercise similar to the limitation contained herein.

(b) For purposes of this Section 7, beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act and the applicable rules and regulations of the Commission, and the terms "beneficial ownership" and "beneficially own" have the meanings ascribed to such terms therein. In addition, for purposes hereof, "group" has the meaning set forth in Section 13(d) of the Exchange Act and the applicable regulations of the Commission. For purposes of this Section 7, in determining the number of outstanding shares of Common Stock, a Holder may rely on the number of outstanding shares of Common Stock as stated in the most recent of the following: (A) the Company's most recent periodic or annual filing with the Commission, as the case may be, (B) a more recent public announcement by the Company that is filed with the Commission, or (C) a more recent notice by the Company or the Company's transfer agent to the Holder setting forth the number of shares of Common Stock then outstanding. Upon the written request of a Holder (which may be by email), the Company

shall, within three Trading Days thereof, confirm in writing to such Holder (which may be via email) the number of shares of Common Stock then outstanding. In any case, the number of outstanding shares of Common Stock shall be determined after giving effect to any actual conversion or exercise of securities of the Corporation, including shares of Series C Preferred Stock, by such Holder or its Attribution Parties since the date as of which such number of outstanding shares of Common Stock was last publicly reported or confirmed to the Holder. The "***Beneficial Ownership Limitation***" shall be set at 9.99% of the number of shares of the Common Stock assuming full conversion or exercise, as applicable, of the Series C Preferred Stock or Warrants, as the case may be, subject to the Notice of Conversion or Automatic Conversion (as defined in the Series C Certificate of Designation) or Notice of Exercise, as applicable, or 4.99% in the case of a Lead Investor (as defined in the Purchase Agreement). The Company shall be entitled to rely on representations made to it by the Holder in any Notice of Exercise regarding its Beneficial Ownership Limitation. Notwithstanding the foregoing, by written notice to the Company, any Holder, other than a Lead Investor (as defined in the Purchase Agreement), may reset the Beneficial Ownership Limitation percentage to a higher percentage, not to exceed 9.99%, which increase will not be effective until the sixty-first (61st) day after such written notice is delivered to the Company. Notwithstanding the foregoing, at any time following notice of a Change of Control, the Holder may waive and/or change the Beneficial Ownership Limitation effective immediately upon written notice to the Company and may reinstitute a Beneficial Ownership Limitation at any time thereafter effective immediately upon written notice to the Corporation. The provisions of this Section 7 shall be construed, corrected and implemented in a manner so as to effectuate the intended Beneficial Ownership Limitation herein contained and the shares of Common Stock underlying the Warrant in excess of the Beneficial Ownership Limitation shall not be deemed to be beneficially owned by the Holder for any purpose including for purposes of Section 13(d) or Rule 16a-1(a)(1) of the Exchange Act.

8. Definitions. For the purposes of this Warrant, the following terms have the following meanings:

"Additional Shares" means all Shares issued by the Issuer after the Closing Date, and all Other Shares, if any, issued by the Issuer after the Closing Date, except: (i) securities issued (other than for cash) in connection with a merger, acquisition, or consolidation, (ii) securities issued pursuant to the conversion or exercise of convertible or exercisable securities issued or outstanding on or prior to the date of the Purchase Agreement or issued pursuant to the Purchase Agreement (so long as the conversion or exercise price in such securities are not amended to lower such price and/or adversely affect the Holder unless the issuance of shares pursuant to the Purchase Agreement results in a lower adjusted price) or issued pursuant to the Merger Agreement, (iii) the Warrant Shares, (iv) securities issued in connection with bona fide strategic license agreements, consulting agreements, or other partnering or technology development arrangements so long as such issuances are not for the purpose of raising capital, (v) Shares issued or the issuance or grants of options to purchase Shares pursuant to the Issuer's equity incentive plans adopted by the Board, and (vi) any warrants or similar rights issued to the finders, placement agents or their respective designees for the transactions contemplated by the Purchase Agreement or in subsequent offerings or placements. The exclusions set forth in this definition shall also apply to the issuance or sale of Share Equivalents. "Affiliate" means, with respect to any Person, any other Person that, directly or indirectly, controls, is controlled by or is under common control with such Person. For purposes of this definition, the term "control" (including, with correlative meanings, the terms "controlling," "controlled by" and "under common control with"), as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of that Person, whether through the ownership of voting securities, by contract or otherwise.

"Board" shall mean the Board of Directors of the Issuer.

"Business Day" means any day other than Saturday, Sunday or any other day on which commercial banks in the City of New York, New York, are authorized or required by law or executive order to close.

"Bylaws" means the Bylaws of the Issuer as in effect on the date hereof, and as hereafter from time to time amended, modified, supplemented or restated in accordance with the terms hereof and thereof and pursuant to applicable law.

"Certificate of Incorporation" means the Certificate of Incorporation of the Issuer as in effect on the date hereof, and as hereafter from time to time amended, modified, supplemented or restated in accordance with the terms hereof and thereof and pursuant to applicable law.

"Change of Control" shall mean if, at any time while Series C Preferred Stock is outstanding, and except in respect of any shares of Series C Preferred Stock issued pursuant to the Merger Agreement or the Purchase Agreement, (i) the Company, directly or indirectly, in one or more related transactions effects any merger or consolidation of the Company with or into another Person, (ii) the Company, directly or indirectly, effects any sale, lease, license, assignment, transfer, conveyance or other disposition of all or substantially all of its assets in one or a series of related transactions, (iii) any, direct or indirect, purchase offer, tender offer or exchange offer (whether by the Company or another Person) is completed pursuant to which holders of Common Stock are permitted to sell, tender or exchange their shares for other securities, cash or property and has been accepted by the holders of more than 50% of the outstanding Common Stock, (iv) the Company, directly or indirectly, in one or more related transactions effects any reclassification, reorganization or recapitalization of the Common Stock or any compulsory share exchange pursuant to which the Common Stock is effectively converted into or exchanged for other securities, cash or property, or (v) the Company, directly or indirectly, in one or more related transactions consummates a stock or share purchase agreement or other business combination (including, without limitation, a reorganization, recapitalization, spin-off or scheme of arrangement) with another Person whereby the holders of the Common Stock immediately prior to such transaction or related transactions cease to hold more than 50% of the outstanding shares of Common Stock immediately following the consummation of such transaction or related transactions.

"Convertible Securities" means evidences of indebtedness, shares of Equity Capital or other Securities, in any case, which are or may be at any time convertible into or exchangeable for Additional Ordinary Shares. The term "Convertible Security" means one of the Convertible Securities.

"Equity Capital" means and includes (i) any and all ordinary shares, stock or other common or equity shares, interests, participations or other equivalents of or interests therein (however designated), including, without limitation, shares of preferred or preference shares, (ii) all partnership interests (whether general or limited) in any Person which is a partnership, (iii) all membership interests or limited liability company interests in any limited liability company, and (iv) all equity or ownership interests in any Person of any other type.

"Governmental Authority" means any governmental, regulatory or self-regulatory entity, department, body, official, authority, commission, board, agency or instrumentality, whether federal, state or local, and whether domestic or foreign.

"Holders" mean the Persons who shall from time to time own this Warrant or any one or more Warrants issued in replacement hereof in accordance with the terms hereof. The term "Holder" means one of the Holders.

"Independent Appraiser" means a nationally recognized or major regional investment banking firm or firm of independent certified public accountants of recognized standing (which may be the firm that regularly examines the financial statements of the Issuer) that is regularly engaged in the business of appraising the Equity Capital or assets of corporations or other entities as going concerns, and which is not affiliated with either the Issuer or the Holder of any Warrant.

"Merger Agreement" means Agreement and Plan of Merger and Reorganization by and among the Company, Project Athens Merger Sub, Inc., a Delaware corporation and wholly owned subsidiary of the Company, Project Athens Merger Sub, Inc., a Delaware corporation and wholly owned subsidiary of the Company, Second Project Athens Merger Sub, LLC, a Delaware limited liability company and wholly

owned subsidiary of the Company, AlmataBio, Inc., and the securityholders' representative identified therein.

"Other Shares" means any other Equity Capital of the Issuer of any class which shall be authorized at any time after the date of this Warrant (other than Shares) and which shall have the right to participate in the distribution of earnings and assets of the Issuer without limitation as to amount.

"Per Share Market Value" means on any particular date (a) the last closing bid price per Share on such date on a registered national stock exchange on which the Shares are then listed, or if there is no such price on such date, then the closing price on such exchange or quotation system on the date nearest preceding such date, or (b) if the Shares are not listed or traded then on any registered national stock exchange, the last closing bid price for a Share in the over-the-counter market, as reported by the U.S. national securities exchange on which the Shares are traded at the close of business on such date, or (c) if the Shares are not then publicly traded the fair market value of a Share as determined by an Independent Appraiser selected in good faith by the Holder; *provided, however,* that the Issuer, after receipt of the determination by such Independent Appraiser, shall have the right to select an additional Independent Appraiser, in which case, the fair market value shall be equal to the average of the determinations by each such Independent Appraiser; and *provided, further* that all determinations of the Per Share Market Value shall be appropriately adjusted for any dividends, splits or other similar transactions during such period. The determination of fair market value by an Independent Appraiser shall be based upon the fair market value of the Issuer determined on a going concern basis as between a willing buyer and a willing seller and taking into account all relevant factors determinative of value, and shall be final and binding on all parties. In determining the fair market value of any Shares, no consideration shall be given to any restrictions on transfer of the Shares imposed by agreement or by federal or state securities laws, or to the existence or absence of, or any limitations on, voting rights.

"Person" means an individual, corporation, limited liability company, partnership, joint stock company, trust, unincorporated organization, joint venture, Governmental Authority or other entity of whatever nature.

"Principal Market" means the Trading Market on which the Common Stock is primarily listed on and quoted for trading, which, as of the date of this Agreement and the Closing Date, shall be the Nasdaq Capital Market.

"Purchase Agreement" means the Securities Purchase Agreement, dated March 27, 2024, by and among the Issuer and the Holder.

"Registration Rights Agreement" means the Registration Rights Agreement, dated March [●], 2024, by and among the Issuer and the Holder.

"Requisite Stockholder Approval" means the stockholder approval of the conversion of all issued and outstanding Warrants into shares of Common Stock in accordance with the Nasdaq Stock Market Rules.

"Series C Certificate of Designation" means the Certificate of Designation for the Company's Series C Preferred Stock, dated March 27, 2024.

"Securities" means any debt or equity securities of the Issuer, whether now or hereafter authorized, any instrument convertible into or exchangeable for Securities or a Security, and any option, warrant or other right to purchase or acquire any Security. "Security" means one of the Securities.

"Share Equivalent" means any Convertible Security or warrant, option or other right to subscribe for or purchase any Additional Shares or any Convertible Security.

"Subsidiary" means any corporation at least 50% of whose outstanding Voting Shares shall at the time be owned directly or indirectly by the Issuer or by one or more of its Subsidiaries, or by the Issuer and one or more of its Subsidiaries.

"Surviving Corporation" means (a) the corporation surviving or resulting from any merger, consolidation, reorganization, share exchange or similar corporate transaction involving the Company; (b) the direct or indirect parent company of such surviving corporation; or (c) an entity that acquires all or substantially all of the business and assets of the Company.

"Term" has the meaning specified in Section 1 hereof.

"Trading Day" means a day on which the Shares are traded on a the Principal Market; *provided, however*, that in the event that the Shares are not listed or quoted as set forth in the foregoing clause, then Trading Day shall mean any day except Saturday, Sunday and any day which shall be a legal holiday or a day on which banking institutions in the State of New York are authorized or required by law or other government action to close.

"Voting Shares" means, as applied to the Equity Capital of any corporation, Equity Capital of any class or classes (however designated) having ordinary voting power for the election of a majority of the members of the Board of Directors (or other governing body) of such corporation, other than Equity Capital having such power only by reason of the happening of a contingency.

"Warrant Price" means the exercise price set forth in the first paragraph of this Warrant, as such price may be adjusted from time to time as shall result from the adjustments specified in this Warrant, including Section 4 hereto.

"Warrant Share Number" means at any time the aggregate number of Warrant Shares which may at such time be purchased upon exercise of this Warrant, after giving effect to all prior adjustments and increases to such number made or required to be made under the terms hereof.

"Warrant Shares" means Shares issuable upon exercise of this Warrant.

9. Other Notices. In case at any time:

(a) the Issuer shall make any distributions to the holders of Shares; or

(b) the Issuer shall authorize the granting to all holders of its Shares of rights to subscribe for or purchase any shares of Equity Capital of any class or other rights; or

(c) there shall be any reclassification of the Equity Capital of the Issuer; or

(d) there shall be any capital reorganization by the Issuer; or

(e) there shall be any (i) consolidation or merger involving the Issuer or (ii) sale, transfer or other disposition of all or substantially all of the Issuer's property, assets or business (except a merger or other reorganization in which the Issuer shall be the surviving corporation and its shares of Equity Capital shall continue to be outstanding and unchanged and except a consolidation, merger, sale, transfer or other disposition involving a wholly-owned Subsidiary); or

(f) there shall be a voluntary or involuntary dissolution, liquidation or winding-up of the Issuer or any partial liquidation of the Issuer or distribution to holders of Shares;

then, in each such case, the Issuer shall, to the extent permitted by law, give written notice to the Holder of the date on which (i) the books of the Issuer shall close or a record shall be taken for such dividend, distribution or subscription rights or (ii) such reorganization, reclassification, consolidation, merger, disposition, dissolution, liquidation or winding-up, as the case may be, shall take place. Such notice also shall specify the date as of which the holders of Shares of record shall participate in such dividend, distribution or subscription rights, or shall be entitled to exchange their Shares for securities or other property deliverable upon such reorganization, reclassification, consolidation, merger, disposition, dissolution, liquidation or winding-up, as the case may be. To the extent permitted by law, such notice shall be given at least twenty (20) days prior to the action in question and not less than five (5) days prior to the record date or the date on which the Issuer's transfer books are closed in respect thereto. This Warrant entitles the Holder to receive copies of all financial and other information distributed or required to be distributed to the holders of the Shares.

10. Amendment and Waiver. Any term, covenant, agreement or condition in this Warrant may be amended by a written instrument or written instruments executed by the Issuer and the holders of at least a majority in interest of the aggregate number of shares of common stock then issuable (without regards to any exercise limitations) upon exercise of the then Outstanding Warrants, which majority shall include each of the Lead Investors (as defined in the Purchase Agreement) then holding an Outstanding Warrant, provided that no amendment to the Warrant Price, Section 1, Section 7 or this Section 10 may be made without the consent of the Holder. Notwithstanding the foregoing, no term, covenant, agreement or condition in this Warrant may be amended in a manner that is disproportionately adverse to the Holder when compared with the holders of the Other Warrants without the consent of the Holder hereof, where "Other Warrants" means the other warrants issued pursuant to the Purchase Agreement.

11. Governing Law; Jurisdiction(a) **.** This Warrant shall be governed by the internal laws of the State of New York, without giving effect to the choice of law provisions except Section 5-1401 of the New York General Obligations Law. **EACH PARTY HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION HEREWITH OR ARISING OUT OF THIS WARRANT OR ANY TRANSACTION CONTEMPLATED HEREBY.**

All disputes, controversies or claims between the parties arising out of or in connection with this Warrant (including its existence, validity or termination) which cannot be amicably resolved shall be finally resolved and settled under the Rules of Arbitration of the American Arbitration Association and its affiliate the International Center for Dispute Resolution in New York City. The arbitration tribunal shall be composed of one arbitrator. The arbitration will take place in New York City, New York, and shall be conducted in the English language. The arbitration award shall be final and binding on the parties.

12. Notices. Any notice, demand, request, waiver or other communication required or permitted to be given hereunder shall be delivered in writing by electronic mail properly addressed to the party to receive the same. Notice delivered by electronic mail shall be deemed received at the time it is sent as long as the sender does not receive an automated notification by the recipient's email server that the delivery has failed. The email addresses for such communications shall be:

If to the Holder, at such address as reflected on the Company's records.

Any party hereto may from time to time change its address for notices by giving written notice of such changed address to the other party hereto.

13. **Remedies**. The Issuer stipulates that the remedies at law of the Holder of this Warrant in the event of any default or threatened default by the Issuer in the performance of or compliance with any of the terms of this Warrant are not and will not be adequate and that, to the fullest extent permitted by law, such terms may be specifically enforced by a decree for the specific performance of any agreement contained herein or by an injunction against a violation of any of the terms hereof or otherwise.

14. **Successors and Assigns.** This Warrant and the rights evidenced hereby shall inure to the benefit of and be binding upon the successors and permitted assigns of the Issuer (including any Successor Company as set forth in the Purchase Agreement), the Holder hereof and (to the extent provided herein) the Holders of Warrant Shares issued pursuant hereto, and shall be enforceable by any such Holder or Holder of Warrant Shares.

15. **Modification and Severability.** If, in any action before any court or agency legally empowered to enforce any provision contained herein, any provision hereof is found to be unenforceable, then such provision shall be deemed modified to the extent necessary to make it enforceable by such court or agency. If any such provision is not enforceable as set forth in the preceding sentence, the unenforceability of such provision shall not affect the other provisions of this Warrant, but this Warrant shall be construed as if such unenforceable provision had never been contained herein.

16. **Headings.** The headings of the Sections of this Warrant are for convenience of reference only and shall not, for any purpose, be deemed a part of this Warrant.

17. **Registration Rights.** The Holder of this Warrant is entitled to the benefit of certain registration rights with respect to the Warrants and Warrant Shares issuable upon the exercise of this Warrant pursuant to the Registration Rights Agreement.

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IN WITNESS WHEREOF, the Issuer has executed this Warrant as of the day and year first above written.

AVALO THERAPEUTICS, INC.

By: _____
Name:
Title:

EXERCISE FORM
WARRANT

AVALO THERAPEUTICS, INC.

The undersigned _____, pursuant to the provisions of the within Warrant, hereby elects to purchase _____ Warrant Shares covered by the within Warrant.

Dated: _____ Signature _____

Address _____

_____

Number of Warrant Shares beneficially owned or deemed beneficially owned by the Holder on the date of exercise: _____

The undersigned is an "accredited investor" as defined in Regulation D under the Securities Act of 1933, as amended.

The Holder shall pay the sum of $_____ by certified or official bank check (or via wire transfer) to the Issuer in accordance with the terms of the Warrant.

Check the applicable box:

☐ The undersigned is exercising the Warrant with respect to [_____] shares of Preferred Stock.

☐ The undersigned is exercising the Warrant with respect to [_____] shares of Common Stock.

Please issue said Warrant Shares in the name of the undersigned or in such other name as is specified below:

_____

The Warrant Shares shall be delivered to the following DWAC Account Number:

_____

_____

_____

[SIGNATURE OF HOLDER]

Name of Investing Entity: _____

Signature of Authorized Signatory of Investing Entity: _____

Name of Authorized Signatory: _____

Title of Authorized Signatory: _____

Date: _____

ASSIGNMENT

FOR VALUE RECEIVED, _____ hereby sells, assigns and transfers unto _____ the within Warrant and all rights evidenced thereby and does irrevocably constitute and appoint _____, attorney, to transfer the said Warrant on the books of the within named corporation.

Dated: _____ Signature _____

Address _____
_____

PARTIAL ASSIGNMENT

FOR VALUE RECEIVED, _____ hereby sells, assigns and transfers unto _____ the right to purchase _____ Warrant Shares evidenced by the within Warrant together with all rights therein, and does irrevocably constitute and appoint _____, attorney, to transfer that part of the said Warrant on the books of the within named corporation.

Dated: _____ Signature _____

Address _____
_____

FOR USE BY THE ISSUER ONLY:

This Warrant No. W-___ canceled (or transferred or exchanged) this _____ day of _____, _____, Shares issued therefor in the name of _____, Warrant No. W-_____ issued for ____ Shares in the name of _____.

SECURITIES PURCHASE AGREEMENT

This **SECURITIES PURCHASE AGREEMENT** (this "***Agreement***") is dated as of March 27, 2024, by and among **Avalo Therapeutics, Inc.**, a Delaware corporation (the "***Company***"), and each purchaser identified on **Annex A** hereto (each, including its successors and assigns, a " ***Purchaser***" and collectively, the "***Purchasers***").

RECITALS

A. 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 Securities Act of 1933, as amended, and the rules and regulations thereunder (the "***Securities Act***"), and Rule 506 of Regulation D ("***Regulation D***") as promulgated by the United States Securities and Exchange Commission (the " ***Commission***") under the Securities Act.

B. The Purchasers, severally and not jointly, wish to purchase (in the amounts set forth on **Annex A**), and the Company wishes to issue and sell, upon the terms and conditions stated in this Agreement, an aggregate of (i) 19,945.890625 shares (the "***Preferred Shares***") of Series C Non-Voting Convertible Preferred Stock, par value $0.001 per share (and including any other class of securities into which the Series C Preferred Stock may hereafter be reclassified or changed into, the "***Series C Preferred Stock***") of the Company, having the designation, preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends, qualifications and terms and conditions as specified in the Certificate of Designation, in the form attached hereto as **Exhibit A-1** (the "***Series C Certificate of Designation***"), which will be convertible into shares (the "***Conversion Shares***") of the Company's common stock, par value $0.001 per share ("***Common Stock***") in accordance with the terms set forth in the Certificate of Designation and (ii) warrants, substantially in the form attached hereto as **Exhibit C** (the "***Warrants***"), to acquire shares of Common Stock and Series C Preferred Stock (the "***Warrant Shares***" and together with the Conversion Shares, the " ***Derivative Shares***") with an exercise price of $5.796933 per share.

C. Commodore Capital Master LP ("***Commodore***") wishes to purchase, and the Company wishes to issue and sell, upon the terms and conditions stated in this Agreement, one share of Series D Preferred Stock, par value $0.001 per share (and including any other class of securities into which the Series D Preferred Stock may hereafter be reclassified or changed into, the "***Series D Preferred Stock***") of the Company, having the designation, preferences, or other rights, voting powers, restrictions, qualifications and terms and conditions as specified in the Certificate of Designation, in the form attached hereto as **Exhibit A-2** (the "***Series D Certificate of Designation***").

D. TCG Crossover Fund II, L.P. (" ***TCGX***") wishes to purchase, and the Company wishes to issue and sell, upon the terms and conditions stated in this Agreement, one share of Series E Preferred Stock, par value $0.001 per share (and including any other class of securities into which the Series E Preferred Stock may hereafter be reclassified or changed into, the "***Series E Preferred Stock***" and together with the Preferred Shares, the Warrants and the Series D Preferred Stock, the "***Securities***") of the Company, having the designation, preferences, or other rights, voting powers, restrictions, qualifications and terms and conditions as specified in the Certificate of Designation, in the form attached hereto as **Exhibit A-3** (the "***Series E Certificate of Designation***" and together with the Series C Certificate of Designation and the Series D Certificate of Designation, the " ***Certificates of Designations***").

E. Pursuant to the terms and conditions of the Series C Certificate of Designation, the conversion of the Series C Preferred Stock shall be subject to receipt of the Requisite Stockholder Approval (as defined herein).

F. The Company has engaged Oppenheimer & Co.as its exclusive placement agent (the " ***Placement Agent***") for the offering of the Securities on a "best efforts" basis.

G. Concurrently with the execution and delivery of this Agreement, the Company is entering into an Agreement and Plan of Merger and Reorganization by and among the Company, Project Athens Merger

Sub, Inc., a Delaware corporation and wholly owned subsidiary of the Company (the "***Merger Sub***"), Project Athens Merger Sub, Inc., a Delaware corporation and wholly owned subsidiary of the Company (the "***Merger Sub***"), Second Project Athens Merger Sub, LLC, a Delaware limited liability company and wholly owned subsidiary of the Company (the "***Second Merger Sub***"), AlmataBio, Inc. ("***Almata***"), and the securityholders' representative identified therein, in substantially the form attached hereto as **Exhibit G** attached hereto (the "***Merger Agreement***"), pursuant to which the Company and Almata intend to effect a merger of Merger Sub with and into Almata and immediately thereafter effect a merger of Almata with and into Second Merger Sub (the "***Merger***"). Upon consummation of the Merger, Almata will cease to exist and Second Merger Sub will remain wholly-owned subsidiary of the Company.

H. Immediately prior to the Closing (as defined herein): (i) the parties hereto shall execute and deliver a Registration Rights Agreement, substantially in the form attached hereto as **Exhibit B** (the "***Registration Rights Agreement***"), pursuant to which, among other things, the Company will agree to provide certain registration rights with respect to the Derivative Shares under the Securities Act and the rules and regulations promulgated thereunder and applicable state securities laws and (ii) the Company shall file with the Delaware Secretary of State each of the Certificates of Designation, duly executed by an officer of the Company.

NOW, THEREFORE, in consideration of the mutual covenants contained in this Agreement, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Company and each Purchaser, severally and not jointly, hereby agree as follows:

ARTICLE 1

DEFINITIONS

1.1 Definitions. In addition to the terms defined elsewhere in this Agreement, for all purposes of this Agreement, the following terms shall have the meanings indicated in this Section 1.1:

"***Acquiring Person***" has the meaning set forth in Section 4.5.

"***Action***" means any action, suit, inquiry, notice of violation, proceeding (including any partial proceeding such as a deposition) or investigation pending or, to the Company's Knowledge, threatened against the Company, its Subsidiaries or any of their respective properties, or any officer, director or employee of the Company or any of its Subsidiaries acting in his or her capacity as an officer, director or employee, before or by any federal, state, county, local or foreign court, arbitrator, governmental or administrative agency, regulatory authority, stock market, stock exchange or trading facility.

"***Affiliate***" means, with respect to any 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, as such terms are used in and construed under Rule 405 under the Securities Act.

"***Agreement***" has the meaning set forth in the Preamble.

"***Board of Directors***" means the board of directors of the Company.

"***Business Day***" means any day except Saturday, Sunday, any day which is a federal legal holiday in the United States or any day on which banking institutions in the State of New York are authorized or required by law or other governmental action to close.

"***Certificates of Designation***" has the meaning set forth in the Recitals.

"***Closing***" has the meaning set forth in Section 2.2(a).

"***Closing Date***" has the meaning set forth in Section 2.2(a).

"***Commission***" has the meaning set forth in the Recitals.

"***Commodore***" has the meaning set forth in the recitals.

"***Company***" has the meaning set forth in the Preamble.

"***Company Counsel***" means Wyrick Robbins Yates & Ponton LLP, with offices at 4101 Lake Boone Trail, Suite 300, Raleigh, NC 27607.

"***Company Covered Person***" means, with respect to the Company 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)

"***Company Deliverables***" has the meaning set forth in Section 2.3(a).

"***Company's Knowledge***" means with respect to any statement made to the Company's Knowledge, that the statement is based upon the actual knowledge, or knowledge that would have been acquired after reasonable inquiry, of the executive officers or directors of the Company having responsibility for the matter or matters that are the subject of the statement. With respect to any matters relating to intellectual property, such awareness or reasonable expectation to have knowledge does not require any such individual to conduct or have conducted or obtain or have obtained any freedom to operate opinions of counsel or any intellectual property rights clearance searches.

"***Contract***" means, with respect to any Person, any written or oral agreement, contract, subcontract, lease (whether for real or personal property), mortgage, license, 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.

"***Control***" (including the terms "controlling", "controlled by" or "under common control with") means the possession, direct or indirect, 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.

"***Effect***" means any effect, change, event, circumstance, state of fact, occurrence or development.

"***Effective Date***" means the date on which the initial Registration Statement required by Section 2(a) of the Registration Rights Agreement is first declared effective by the Commission.

"***Encumbrance***" means any lien, pledge, hypothecation, charge, mortgage, security interest, lease, exclusive license, option, easement, reservation, servitude, adverse title, claim, infringement, interference, option, right of first refusal, preemptive right, community property interest or restriction or encumbrance of any nature (including any restriction on the voting of any security, any restriction on the transfer of any security or other asset, any restriction on the receipt of any income derived from any asset, any restriction on the use of any asset and any restriction on the possession, exercise or transfer of any other attribute of ownership of any asset).

"***Environmental Laws***" has the meaning set forth in Section 3.1(gg).

"***ERISA***" means the Employee Retirement Income Security Act of 1974, as amended.

"***Exchange Act***" means the Securities Exchange Act of 1934, as amended, or any successor statute, and the rules and regulations promulgated thereunder.

"***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 Authority***" means any: (a) nation, state, commonwealth, province, territory, county, municipality, district or other jurisdiction of any nature, (b) federal, state, local, municipal, foreign, supra-national 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 any taxing authority) or (d) self-regulatory organization (including Nasdaq).

"***Intangibles***" has the meaning set forth in Section 3.1(r).

"***Irrevocable Transfer Agent Instructions***" means, with respect to the Company, the Irrevocable Transfer Agent Instructions, in substantially the form of **Exhibit D**, executed by the Company and delivered to and acknowledged in writing by the Transfer Agent.

"***Lead Investor"*** means each of Commodore and TCGX.

"***Material Adverse Effect***" means any Effect, individually or together with any other Effect, that (a) has had, has, or would reasonably be expected to have a material adverse effect on the business, condition (financial or otherwise), general affairs, management, assets, liabilities, results of operations, earnings, prospects or properties of the Company or its Subsidiaries, taken as a whole; *provided*, *however*, that Effects arising or resulting from the following shall not be taken into account in determining whether there has been a Material Adverse Effect: (1) the announcement or disclosure of the sale of the Securities or other transactions contemplated by this Agreement, (2) the taking of any action, or the failure to take any action, by the Company that is required to comply with the terms of this Agreement, (3) any natural disaster or epidemics, pandemics or other force majeure events, or any act or threat of terrorism or war, any armed hostilities or terrorist activities (including any escalation or general worsening of any of the foregoing) anywhere in the world or any governmental or other response or reaction to any of the foregoing, (4) any change in GAAP or applicable law or the interpretation thereof, (5) general economic or political conditions or conditions generally affecting the industries in which the Company and its Subsidiaries operate or (6) any change in the cash position of the Company and its Subsidiaries which results from operations in the ordinary course of business; except in each case with respect to clauses (3), (4) and (5), (x) to the extent disproportionately affecting the Company and its Subsidiaries, taken as a whole, relative to other similarly situated companies in the industries in which the Company and its Subsidiaries operate and (y) the underlying cause of such Effect may be considered except to the extent such underlying cause would otherwise be excluded in accordance with the foregoing; or (b) prevents, materially adversely delays or materially adversely impedes, or could reasonably be expected to prevent, materially adversely delay or materially adversely impede the performance by the Company of its obligations under this Agreement and the other Transaction Documents, including, without limitation, the issuance and sale of the Securities and the Derivative Shares.

"***Nasdaq***" means The Nasdaq Stock Market.

"***New York Courts***" means the state and federal courts sitting in the City of New York, Borough of Manhattan.

"***Outside Date***" means the fifteenth (15th) day following the date of this Agreement.

"***Permitted Encumbrances***" means: (a) any Encumbrance for current taxes not yet due and payable or for taxes that are being contested in good faith and, in each case, for which adequate reserves have been made in accordance with GAAP; (b) minor liens that have arisen in the ordinary course of business and that do not (individually or in the aggregate) materially detract from the value of the assets or properties subject thereto or materially impair the operations of the Company or any of its Subsidiaries; (c) statutory liens to secure obligations to landlords, lessors or renters under leases or rental agreements; (d) deposits or pledges made in connection with, or to secure payment of, workers' compensation, unemployment insurance or similar programs mandated by law; (e) non-exclusive licenses of intellectual property rights granted by the Company or any of its Subsidiaries in the ordinary course of business and that do not (individually or in the aggregate) materially detract from the value of the intellectual property

rights subject thereto; and (f) statutory liens in favor of carriers, warehousemen, mechanics and materialmen, to secure claims for labor, materials or supplies.

"***Person***" means an individual or a 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.

"***Placement Agent***" has the meaning set forth in the Recitals.

"***Press Release***" has the meaning set forth in Section 4.4.

"***Principal Trading Market***" means the Trading Market on which the Common Stock is primarily listed on and quoted for trading, which, as of the date of this Agreement and the Closing Date, shall be the Nasdaq Capital Market.

"***Proceeding***" means an action, claim, suit, investigation or proceeding (including, without limitation, an investigation or partial proceeding, such as a deposition), whether commenced or threatened.

"***Purchaser***" or "***Purchasers***" has the meaning set forth in the Preamble.

"***Purchaser Deliverables***" has the meaning set forth in Section 2.3(b).

"***Registrable Securities***" has the meaning set forth in the Registration Rights Agreement.

"***Registration Rights Agreement***" has the meaning set forth in the Recitals.

"***Registration Statement***" means a registration statement meeting the requirements set forth in the Registration Rights Agreement and covering the resale by the Purchasers of the Registrable Securities.

"***Regulation D***" has the meaning set forth in the Recitals.

"***Rule 144***" means Rule 144 promulgated by the Commission pursuant to the Securities 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 such Rule.

"***SEC Reports***" has the meaning set forth in Section 3.1(h).

"***Secretary's Certificate***" has the meaning set forth in 2.3(a)(vi).

"***Securities***" has the meaning set forth in the Recitals.

"***Securities Act***" has the meaning set forth in the Recitals.

"***Series C Preferred Stock***" has the meaning set forth in the Recitals, and also includes any other class of securities into which the Series C Preferred Stock may hereafter be reclassified or changed into.

"***Series D Preferred Stock***" has the meaning set forth in the Recitals, and also includes any other class of securities into which the Series D Preferred Stock may hereafter be reclassified or changed into.

"***Series E Preferred Stock***" has the meaning set forth in the Recitals, and also includes any other class of securities into which the Series E Preferred Stock may hereafter be reclassified or changed into.

"***Short Sales***" include, without limitation, (i) all "short sales" as defined in Rule 200 promulgated under Regulation SHO under the Exchange Act, whether or not against the box, and all types of direct and indirect stock pledges, forward sale contracts, options, puts, calls, short sales, swaps, "put equivalent

positions" (as defined in Rule 16a-1(h) under the Exchange Act) and similar arrangements (including on a total return basis) with respect to shares of Common Stock, and (ii) sales and other transactions through non-U.S. broker dealers or non-U.S. regulated brokers (but shall not be deemed to include the location and/or reservation of borrowable shares of Common Stock).

"***Subscription Amount***" means, with respect to each Purchaser, the aggregate amount to be paid for the Securities purchased hereunder as indicated on **Annex A** opposite such Purchaser's name, in United States dollars and in immediately available funds, which amount represents the number of Series C Preferred Stock being purchased by such Purchaser multiplied by the per Security purchase price of $5,796.933422.

"***Subsidiary***" means any subsidiary of the Company and shall include any subsidiary of the Company formed or acquired on or after the date hereof, including as a result of the Merger.

"***TCGX***" has the meaning set forth in the recitals.

"***Trading Day***" means a day on which the Principal Trading Market is open for business.

"***Trading Market***" means any of the following markets or exchanges on which the Common Stock is listed or quoted for trading on the date in question: the NYSE American, the Nasdaq Capital Market, the Nasdaq Global Market, the Nasdaq Global Select Market, or the New York Stock Exchange (or any successors to any of the foregoing).

"***Transaction Documents***" means this Agreement, the schedules and exhibits attached hereto, the Registration Rights Agreement, the Certificates of Designation, the Warrants, the Irrevocable Transfer Agent Instructions and any other documents or agreements explicitly contemplated hereunder.

"***Transfer Agent***" means Equiniti Trust Company, LLC, the current transfer agent of the Company, or any successor transfer agent for the Company.

ARTICLE 2

PURCHASE AND SALE

2.1 Purchase and Sale. On the Closing Date, upon the terms and subject to the conditions set forth herein, the Company will issue and sell to the Purchasers, and the Purchasers will purchase, severally and not jointly, the number of Securities set forth opposite the names of each such Purchaser under the headings "***Number of Warrants Purchased***", "***Number of Series C Preferred Stock Purchased***", "***Number of Series D Preferred Stock Purchased***" and "***Number of Series E Preferred Stock Purchased***", as applicable, for the Subscription Amount set forth on Annex A attached hereto.

2.2 Closing.

(a) Closing. Upon the satisfaction or waiver of the conditions set forth in Section 2.1, Section 2.2 and Article 5, the closing of the purchase and sale of the Securities (the "***Closing***") shall take place remotely via exchange of executed documents and funds on the first (1st) Business Day after the date hereof (the "***Closing Date***"), or at such other time and place as mutually agreed by the Company and Purchasers.

(b) Payment. On or prior to the Closing Date, each Purchaser shall deliver to the Company the Subscription Amount via wire transfer of United States dollars in immediately available funds to an account designated in writing by the Company or by other means approved by the Company on or prior to the Closing Date. Within two (2) Business Days of the Closing, the Company shall cause to be delivered to such Purchaser against payment (i) a book-entry statement from the Transfer Agent evidencing the number of Preferred Shares set forth opposite such Purchaser's name on **Annex A**, registered in the name of such Purchaser (or its nominee in accordance with its delivery instructions), and (ii) an electronic copy

of the Warrant evidencing the number of Warrant Shares set forth opposite such Purchaser's name on Annex A, and (iii) in the case of Commodore and TCGX, a book entry statement from the Company evidencing the share of Series D Preferred Stock and Series E Preferred Stock, respectively, being purchased by them in each case, free and clear of any liens or restrictions (other than those arising under state and federal securities laws and bearing the legend set forth in Section 4.1(b)). If a Purchaser has delivered the Subscription Amount prior to the Closing Date, and the Closing does not occur for any reason on or prior to the fifth (5^{th}) Business Day following the expected Closing Date, the Company shall promptly (but not later than one (1) Business Day thereafter) return the Subscription Amount to such Purchaser by wire transfer of United States dollars in immediately available funds to the account specified by such Purchaser, and any book entries for the Securities shall be deemed cancelled; provided that, unless this Agreement has been terminated pursuant to Section 6.18, such return of funds shall not terminate this Agreement or relieve the Purchasers of their respective obligations to purchase the Securities at the Closing.

2.3 Closing Deliverables.

(a) On or prior to the Closing, the Company shall issue, deliver or cause to be delivered to each Purchaser the following (collectively, the "***Company Deliverables***"):

(i) electronic copies of the Warrants, executed by the Company and registered in the name of each Purchaser;

(ii) a legal opinion of Company Counsel, dated as of the Closing Date and in form and substance reasonably satisfactory to the Lead Investors, executed by such counsel and addressed to the Purchasers and the Placement Agent;

(iii) the Registration Rights Agreement, duly executed by the Company;

(iv) duly executed Irrevocable Transfer Agent Instructions acknowledged in writing by the Transfer Agent instructing the Transfer Agent to deliver, on an expedited basis, of the issuance of the number of Preferred Shares set forth opposite the name of such Purchaser under the heading "***Number of Preferred Shares Purchased***" on **Annex A** attached hereto, registered in the name of such Purchaser (or its nominee, as directed by the Purchaser);

(v) the Company shall have filed with Nasdaq a Notification Form: Listing of Additional Shares for the listing of the Derivative Shares;

(vi) a certificate of the Secretary of the Company (the "***Secretary's Certificate***"), dated as of the Closing Date, in substantially the form attached hereto as **Exhibit E**;

(vii) the Compliance Certificate referred to in Section 5.1(h);

(viii) a certificate evidencing the formation and good standing of the Company issued by the Secretary of State of the State of Delaware, as of a date within two (2) Business Days of the Closing Date;

(ix) a certificate evidencing the Company's qualification as a foreign corporation and good standing issued by the Secretary of State (or comparable office) of each jurisdiction in which the Company is qualified to do business as a foreign corporation, as of a date within two (2) Business Days of the Closing Date; and

(x) a certified copy of each of the Certificates of Designation, as filed with the Secretary of State of the State of Delaware.

(b) On or prior to the Closing, each Purchaser shall deliver or cause to be delivered to the Company the following (the "***Purchaser Deliverables***"):

(i) this Agreement, duly executed by such Purchaser;

(ii) its respective Subscription Amount, in United States dollars and in immediately available funds, in the amount set forth in the "***Aggregate Purchase Price (Subscription Amount)***" column opposite each Purchaser's name in the table set forth on **Annex A** by wire transfer to the Company; and

(iii) the Registration Rights Agreement, duly executed by such Purchaser.

ARTICLE 3

REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of the Company. Except as previously disclosed in the SEC Reports, the Company hereby represents and warrants the following as of the date hereof and the Closing Date (except for the representations and warranties that speak as of a specific date, which shall be made as of such date) to each of the Purchasers and to the Placement Agent:

(a) Due Organization; Subsidiaries. The Company and each of its Subsidiaries is duly organized, validly existing and in good standing under the laws of its jurisdiction of incorporation or organization and each subsidiary has all requisite power and authority to carry on its business as is currently being conducted, and to own, lease and operate its properties. All of the issued shares of capital stock of, or other ownership interests in, each subsidiary have been duly and validly authorized and issued and are fully paid and nonassessable and are owned, directly or indirectly, by the Company, free and clear of any lien, charge, mortgage, pledge, security interest, claim, limitation on voting rights, equity, trust or other encumbrance, preferential arrangement, defect or restriction of any kind whatsoever. The Company and each of its Subsidiaries is duly qualified to do business and is in good standing as a foreign corporation in each jurisdiction in which the nature of the business conducted by it or location of the assets or properties owned, leased or licensed by it requires such qualification, except for such jurisdictions where the failure to so qualify individually or in the aggregate would not have a Material Adverse Effect; and to the Company's Knowledge, no proceeding has been instituted in any such jurisdiction revoking, limiting or curtailing, or seeking to revoke, limit or curtail, such power and authority or qualification. The Company has no "significant subsidiaries" (as such term is defined in Rule 1-02 of Regulation S-X).

(b) Authorization; Enforcement; Validity. The Company has the requisite corporate power and authority to enter into the Transaction Documents and to perform its obligations under and consummate the transactions contemplated hereby or thereby. All corporate action on the part of the Company, its directors and stockholders necessary for the authorization, execution, sale, issuance and delivery of the Securities and, subject to the Requisite Stockholder Approval, the Derivative Shares contemplated herein has been taken. Each of the Transaction Documents have been (or upon delivery will have been) duly executed and delivered by the Company and is, or when delivered in accordance with the terms hereof or thereof, will constitute the legal, valid and binding obligation of the Company enforceable against the Company in accordance with its respective terms, except (i) as such enforceability may be limited by applicable bankruptcy, examinership, insolvency, reorganization, moratorium, liquidation or similar laws relating to, or affecting generally the enforcement of, creditors' rights and remedies or by other equitable principles of general application, (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies and (iii) insofar as indemnification and contribution provisions may be limited by applicable law.

(c) No Conflicts. The execution, delivery and performance by the Company of the Transaction Documents and the issuance, sale and delivery of the securities to be sold by the Company under the Transaction Documents (including the issuance of Securities, subject to the Company obtaining Requisite Stockholder Approval, the issuance of Conversion Shares upon the conversion of the Securities and the issuance of the Warrant Shares upon the exercise of the Warrants), the performance by the Company of its obligations under the Transaction Documents and the consummation of the transactions

contemplated hereby or thereby (including without limitation, the issuance of the Securities and the reservation for issuance of the Derivative Shares) do not and will not conflict with, result in the breach or violation of, or constitute (with or without the giving of notice or the passage of time or both) a violation of, or default under, (i) any bond, debenture, note or other evidence of indebtedness, or under any lease, license, franchise, permit, indenture, mortgage, deed of trust, loan agreement, joint venture or other Contract, agreement or instrument to which the Company or any of its Subsidiaries is a party or by which it or its properties may be bound or affected, (ii) the Company's amended and restated certificate of incorporation, as amended (the "***Certificate of Incorporation***"), the Company's third amended and restated bylaws (the "***Bylaws***"), or the equivalent document with respect to any of the Company's Subsidiaries, as amended and as in effect on the date hereof and the Company's Certificates of Designation, or (iii) subject to the Requisite Stockholder Approval, any statute or law, judgment, decree, rule, regulation, ordinance or order of any court or governmental or regulatory body (including Nasdaq), governmental agency, arbitration panel or authority applicable to the Company, any of its subsidiaries or their respective properties, except in the case of clauses (i) and (iii) for such conflicts, breaches, violations or defaults that would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(d) Filings, Consents and Approvals. Except for any Current Report on Form 8-K or Notice of Exempt Offering of Securities on Form D to be filed by the Company in connection with the transaction contemplated hereby, any required filing with Nasdaq (other than the Listing of Additional Shares notification form for the listing of the Derivative Shares), the Requisite Stockholder Approval, the filing of the Certificates of Designation and the Registration Statement required to be filed by the Registration Rights Agreement, neither the Company nor any of its Subsidiaries is required to give any notice to, or make any filings with, or obtain any authorization, consent, or approval of any government or governmental agency in order to consummate the transactions contemplated by the Transaction Documents. Assuming the accuracy of the representations of the Purchasers in Section 3.2, no consent, approval, authorization or other order of, or registration, qualification or filing with, any court, regulatory body, administrative agency, self-regulatory organization, stock exchange or market (including Nasdaq), or other governmental body is required for the execution and delivery of the Transaction Documents, the valid issuance, sale and delivery of the Securities to be sold pursuant to the Transaction Documents (including, subject to the Company obtaining the Requisite Stockholder Approval, the issuance of Conversion Shares upon conversion of the Preferred Shares and the issuance of Warrant Shares upon the exercise of the Warrants) other than such as have been or will be made or obtained, or for any securities filings required to be made under federal or state securities laws applicable to the offering of the Securities, the issuance of Warrant Shares upon exercise of the Warrants, or the issuance of Conversion Shares upon conversion of the Preferred Shares (other than the Requisite Stockholder Approval and filings that have been made, or will be made, pursuant to the rules and regulations of Nasdaq). The Company and its Subsidiaries are unaware of any facts or circumstances that might prevent the Company from obtaining or effecting any of the registration, application or filings pursuant to this Section 3.1(d).

(e) Issuance of the Securities and Derivative Shares. The issuance of the Securities has been duly authorized, and the Securities, when issued and paid for in accordance with the terms of the Transaction Documents, will be duly and validly issued, fully paid and nonassessable and free and clear of any Encumbrances, preemptive rights or restrictions (other than as provided in the Certificates of Designation or any restrictions on transfer generally imposed under applicable securities laws). The issuance of the Conversion Shares has been duly authorized and the Conversion Shares, subject to receipt of the Requisite Stockholder Approval, when issued in accordance with the terms of the Certificates of Designation, will be duly authorized, validly issued, fully paid and non-assessable, and shall be free and clear of any Encumbrances, preemptive rights or restrictions (other than as provided in this Agreement or any restrictions on transfer generally imposed under applicable securities laws). The Company has reserved such number of shares of Common Stock sufficient to enable full conversion of all of the Preferred Shares. The issuance of the Warrant Shares has been duly authorized and the Warrant Shares, when issued in accordance with the terms of the Warrants, will be duly authorized, validly issued, fully paid and non-assessable, and shall be free and clear of any Encumbrances, preemptive rights or restrictions (other than as provided in this Agreement or any restrictions on transfer generally imposed under applicable securities laws). The Company has reserved such number of shares of Common Stock sufficient to enable the full exercise of all of the Warrants.

(f) Capitalization.

(i) As of December 31, 2023 (the "***Capitalization Date***"), the authorized capital stock of the Company consisted of (i) 5,000,000 shares of preferred stock, par value $0.001 per share (the "***Preferred Stock***"), none of which were issued and outstanding and (ii) 200,000,000 shares of Common Stock, 801,746 shares of which were issued and outstanding. The Preferred Stock and the Common Stock are collectively referred to herein as the "***Capital Stock***." All of the issued and shares of Capital Stock have been duly authorized and validly issued and are fully paid and nonassessable and are free of any Encumbrances. As of the Capitalization Date, the Company has reserved (A) 7,731 shares of Common Stock for issuance under the Company's Third Amended and Restated 2016 Equity Incentive Plan (the "***2016 Plan***"), of which 7,281 shares have been reserved for issuance upon exercise or settlement of Company options granted and outstanding under the 2016 Plan and 450 shares remain available for future issuance pursuant to the 2016 Plan, (B) 784 shares of Common Stock for future issuance pursuant to the Company's 2016 Employee Stock Purchase Plan and (C) 17,254 shares of Common Stock for issuance upon the exercise of warrants to acquire shares of Common Stock, all of which remain subject to exercise in exchange for Common Stock. After giving effect to the Merger and the issuance of the Securities, the Company will have (x) 34,326 shares of Series C Preferred Stock designated, of which 22,357.890625 will be issued and outstanding, (y) 1 share of Series D Preferred Stock authorized, 1 of which will be issued and outstanding, and (z) 1 share of Series E Preferred Stock authorized, 1 of which will be issued and outstanding. None of the outstanding shares of the Company were issued in violation of any preemptive rights, rights of first refusal or other similar rights to subscribe for or purchase securities of the Company. Except as otherwise set forth in this Agreement or in the Merger Agreement, as of the date hereof there are no outstanding options, warrants, rights (including conversion or preemptive rights), agreements, arrangements or commitments of any character, whether or not contingent, relating to the issued or unissued Capital Stock of the Company or obligating the Company to issue or sell any share of Capital Stock of, or other equity interest in, the Company. The issuance and sale of the Securities (including, subject to the Company obtaining the Requisite Stockholder Approval, the issuance of Conversion Shares upon conversion of the Securities) will not obligate the Company to issue shares of Common Stock or other securities to any Person (other than the Purchasers) and will not result in a right of any holder of Company securities to adjust the exercise, conversion, exchange or reset price under any of such securities.

(ii) Effective as of the consummation of the Merger, Almata will be a wholly-owned subsidiary of the Company.

(g) Merger Agreement.

(i) The Merger Agreement has been duly and validly authorized, executed and delivered by the Company, the First Merger Sub and Second Merger Sub and, assuming due authorization, execution and delivery by the other parties thereto, constitutes a valid and binding agreement of the Company, the First Merger Sub and Second Merger Sub enforceable against the Company, the First Merger Sub and Second Merger Sub in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights generally or by equitable principles relating to enforceability.

(ii) To the Company's Knowledge, the representations and warranties of Almata contained in Section 3 of the Merger Agreement (as qualified therein and in the disclosure schedules thereto) were, as of the date of the Merger Agreement, and are, as of the date hereof, true and accurate in all material respects (or, if any such representations or warranties are qualified by materiality, material adverse effect or similar language, true and correct in all respects).

(h) SEC Reports; Disclosure Materials. The Company has filed or furnished, as applicable, on a timely basis all forms, statements, schedules, certifications, reports and other documents required to be filed or furnished by it with the Commission under the Exchange Act or the Securities Act since January 1, 2022 (collectively, and in each case including all exhibits and schedules thereto and documents incorporated by reference therein, the "***SEC Reports***"). As of the time it was filed with the Commission (or, if amended or superseded by a filing prior to the date of this Agreement, then on the date of such

filing), each of the SEC Reports complied in all material respects with the applicable requirements of the Securities Act or the Exchange Act (as the case may be) and as of the time they were filed, none of the SEC Reports 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 the light of the circumstances under which they were made, not misleading. There are no material outstanding or unresolved comments in comment letters from the staff of the Division of Corporation Finance of the Commission with respect to any of the SEC Reports. The Company meets and, following completion of the Merger will meet, the requirements for use of Form S-3 under the Securities Act.

(i) No Undisclosed Events, Liabilities, Developments or Circumstances. Other than the transactions contemplated by the Transaction Documents or as disclosed in the SEC Documents, no event, liability, development or circumstance has occurred or exists, or is reasonably expected to exist or occur with respect to the Company, any of its Subsidiaries or any of their respective businesses, properties, liabilities, prospects, operations (including results thereof) or condition (financial or otherwise), that (i) would be required to be disclosed by the Company under applicable securities laws on a registration statement on Form S-1 filed with the SEC relating to an issuance and sale by the Company of its Common Stock and which has not been publicly announced or (ii) could have a Material Adverse Effect.

(j) Financial Statements.

(i) As of their respective filing dates, the financial statements (including any related notes) contained or incorporated by reference in the SEC Reports (i) complied as to form in all material respects with the Securities Act and the Exchange Act, as applicable, and the published rules and regulations of the Commission applicable thereto, (ii) were prepared in accordance with GAAP (except as may be indicated in the notes to such financial statements or, in the case of unaudited financial statements, as permitted by Form 10-Q of the Commission, and except that the unaudited financial statements may not contain footnotes and are subject to normal and recurring year-end adjustments that are not reasonably expected to be material in amount) applied on a consistent basis unless otherwise noted therein throughout the periods indicated and (iii) fairly present, in all material respects, the consolidated financial position of the Company as of the respective dates thereof and the results of operations and cash flows of the Company for the periods covered thereby. There has been no material change in the Company's accounting methods or principles that would be required to be disclosed in the Company's financial statements in accordance with GAAP. There are no financial statements (historical or pro forma) that are required to be included in the SEC Reports that are not so included as required. The interactive data in eXtensible Business Reporting Language included or incorporated by reference in the SEC Reports fairly present the information called for in all material respects and have been prepared in connection with the Commission's rules and guidelines applicable thereto. Except as set forth in the consolidated financial statements of the Company included in the SEC Reports, the Company has not incurred any liabilities, contingent or otherwise, except those incurred in the ordinary course of business, consistent (as to amount and nature) with past practices since the date of such financial statements, none of which, individually or in the aggregate, have had or would reasonably be expected to have a Material Adverse Effect. The books of account and other financial records of the Company and each of its Subsidiaries are true and complete in all material respects.

(ii) Section 3.04(a) of the Company Disclosure Letter (as defined in the Merger Agreement) sets forth the unaudited balance sheets of the Company dated as of January 31, 2024 (the "***Company Balance Sheet***", and such date, the "***Balance Sheet Date***"). The Company Balance Sheet (i) has been prepared from, are in accordance with, and accurately reflect the books and records of the Company and its Subsidiaries, and (ii) fairly presents in all material respects the financial position of the Company and its Subsidiaries as of the Balance Sheet Date.

(iii) Neither the Company nor any of its Subsidiaries has any material Liabilities (as defined in the Merger Agreement), except that: (i) are reflected or reserved against in the Company Balance Sheet (including in the notes thereto); (ii) immaterial liabilities that were incurred since the date of the Company Balance Sheet in the ordinary course of business consistent with past practice; or (iii) are incurred in connection with the transactions contemplated by this Agreement.

(iv) Neither the Company 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 (as defined in the Merger Agreement) or arrangement (including any Contract (as defined in the Merger Agreement) or arrangement relating to any transaction or relationship between or among the Company or any of its Subsidiaries, on the one hand, and any other Person, including any structured finance, special purpose, or limited purpose Person, on the other hand).

(k) Independent Accountants. Ernst & Young LLP, who have certified certain financial statements of the Company and delivered their report with respect to the audited financial statements included in the SEC Reports, have 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 Company's Knowledge, "independent" with respect to the Company within the meaning of Regulation S-X under the Exchange Act and (iii) to the Company's Knowledge, in compliance with subsections (g) through (l) of Section 10A of the Exchange Act and the rules and regulations promulgated by the Commission and the Public Accounting Oversight Board.

(l) Sarbanes-Oxley Act. The Company and each Subsidiary is in compliance with any and all applicable requirements of the Sarbanes-Oxley Act of 2002, as amended, and any and all applicable rules and regulations promulgated by the SEC thereunder.

(m) Absence of Certain Changes. Since January 1, 2024, there has been (i) no material adverse change to, and no material adverse development in, the assets, liabilities, business, properties, operations, condition (financial or otherwise), results of operations or prospects of the Company or its Subsidiaries, (ii) no Material Adverse Effect, (iii) no satisfaction or discharge of any material Encumbrance or payment of any obligation by the Company, except in the ordinary course of business and (iv) no waiver, not in the ordinary course of business, by the Company or any Subsidiary of a material right or of a material debt owed to it. Since January 1, 2024, neither the Company nor any of its Subsidiaries has (i) purchased any of its outstanding Common Stock (other than from its employees or other service providers in connection with the termination of their service pursuant to the terms of its equity compensation plans or agreements) or declared or paid any dividends or distributions, (ii) sold any material assets, individually or in the aggregate, outside of the ordinary course of business, (iii) made any material change or material amendment to, or waiver of any material right, or termination of, any material Contract, (iv) had material transaction entered into or material capital expenditures, individually or in the aggregate, outside of the ordinary course of business or (v) experienced any loss of services of any executive officer (as defined in Rule 405 under the Securities Act), other than as disclosed in the SEC Reports prior to the date hereof. Neither the Company nor any of its Subsidiaries has taken any steps to seek protection pursuant to any bankruptcy law, nor does the Company have any Knowledge or reason to believe that its creditors (if any) intend to initiate involuntary bankruptcy proceedings or any actual Knowledge of any fact that would reasonably lead any such creditor to do so. The Company and its Subsidiaries, individually and on a consolidated basis, are not as of the date hereof, and after giving effect to the transactions contemplated hereby to occur at the Closing, will not be Insolvent (as defined below). For purposes of this Section 3.1(k), "Insolvent" means, with respect to any Person, (i) the present fair saleable value of such Person's assets is less than the amount required to pay such Person's total indebtedness, (ii) such Person is unable to pay its debts and liabilities, subordinated, contingent or otherwise, as such debts and liabilities become absolute and matured, (iii) such Person intends to incur or believes that it will incur debts that would be beyond its ability to pay as such debts mature or (iv) such Person has unreasonably small capital with which to conduct the business in which it is engaged as such business is now conducted and is proposed to be conducted.

(n) Litigation. There is no action, suit, proceeding or investigation pending or, to the Company's Knowledge, currently threatened against the Company, any of its Subsidiaries or any of their respective directors and officers that questions the validity of the Transaction Documents or the right of the Company to enter into the Transaction Documents or to consummate the transactions contemplated hereby and thereby. There is no action, suit, proceeding or investigation pending or, to the Company's Knowledge, currently threatened against the Company or any Subsidiary or any of their respective directors and officers which would, if there were an unfavorable decision, have or reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect.

(o) Employment Matters. No material labor dispute exists or, to the Company's Knowledge, is threatened with respect to any of the employees of the Company or any of its Subsidiaries which would have or would reasonably be expected to result in a Material Adverse Effect. None of the Company's or any Subsidiary's employees is a member of a labor union that relates to such employee's relationship with the Company, and neither the Company nor any of its Subsidiaries is a party to a collective bargaining agreement. To the Company's Knowledge, no executive officer or key employee of the Company or any Subsidiary, is, or is now expected to be, in violation of any material term of any employment Contract, confidentiality, disclosure or proprietary information agreement or non-competition agreement, or any other Contract or agreement or any restrictive covenant in favor of any third party, and to the Company's Knowledge, the continued employment of each such executive officer or key employee does not subject the Company or any Subsidiary to any liability with respect to any of the foregoing matters, except, in each case, matters that, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect. The Company is in compliance in all material respects with all U.S. federal, state, local and foreign Laws and regulations relating to employment and employment practices, terms and conditions of employment and wages and hours. The Company has fulfilled its obligations, if any, under the minimum funding standards of Section 302 of ERISA and the regulations and published interpretations thereunder with respect to each "plan" as defined in Section 3(3) of ERISA and such regulations and published interpretations in which its employees are eligible to participate and each such plan is in compliance in all material respects with the presently applicable provisions of ERISA and such regulations and published interpretations. No "Reportable Event" (as defined in 12 ERISA) has occurred with respect to any "Pension Plan" (as defined in ERISA) for which the Company could have any liability.

(p) Conduct of Business; Regulatory Permits. Neither the Company nor any of its Subsidiaries is in violation of any term of or in default under its Certificate of Incorporation, any Certificate of Designation of any outstanding series of preferred stock of the Company or the Bylaws or their organizational charter or bylaws, respectively. Neither the Company nor any of its Subsidiaries (i) is in default of or in violation of, nor has the Company or any of its Subsidiaries received a claim that it is in default under or that it is in violation of, any Reportable Contract (as defined in the Merger Agreement) (whether or not such default or violation has been waived), or (ii) is in violation of any judgment, decree or order or any statute, ordinance, rule or regulation applicable to the Company or its Subsidiaries, and neither the Company nor any of its Subsidiaries will conduct its business in violation of any of the foregoing, except for possible violations which would not, individually or in the aggregate, have or reasonably be expected to have a Material Adverse Effect. Without limiting the generality of the foregoing, the Company is not in violation of any of the rules, regulations or requirements of Nasdaq and, to the Company's Knowledge, there exist no facts or circumstances that would reasonably lead to delisting or suspension of the Common Stock by Nasdaq in the foreseeable future. The Company and its Subsidiaries possess all certificates, authorizations and permits issued by the appropriate regulatory authorities necessary to conduct their respective businesses as currently conducted and as proposed to be conducted, except where the failure to possess such certificates, authorizations or permits would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, and neither the Company nor any such Subsidiary has received any written notice of proceedings relating to the revocation or modification of any such certificate, authorization or permit.

(q) Title to Properties and Assets. The Company and each of its Subsidiaries has good and marketable title in fee simple to all real property, and good and marketable title to all other property owned by it, in each case free and clear of all Encumbrances other than Permitted Encumbrances, except such as do not materially affect the value of such property and do not materially interfere with the use made or proposed to be made of such property by the Company and its Subsidiaries. All property held under lease by the Company and its Subsidiaries is held by them under valid, existing and enforceable leases, free and clear of all Encumbrances other than Permitted Encumbrances, except such as are not material and do not materially interfere with the use made or proposed to be made of such property by the Company and its Subsidiaries.

(r) Intellectual Property Rights. The Company and each of its Subsidiaries owns or possesses legally enforceable rights to use all patents, patent rights, inventions, trademarks, trademark applications, trade names, service marks, copyrights, copyright applications, licenses, know-how and

other similar rights and proprietary knowledge (collectively, " **Intangibles**") necessary for the conduct of its business. Neither the Company nor any of its Subsidiaries has received any notice of, or is not aware of, any infringement of or conflict with asserted rights of others with respect to any Intangibles.

(s) Insurance. The Company and its Subsidiaries are insured against such losses and risks in such amounts as are customary in the businesses in which they are engaged or propose to engage after giving effect to the Merger; all policies of insurance and fidelity or surety bonds insuring the Company or any of its Subsidiaries or the Company's or its Subsidiaries' respective businesses, assets, employees, officers and directors are in full force and effect; and the Company and each of its Subsidiaries are in compliance with the terms of such policies and instruments in all material respects. Neither the Company nor any of its Subsidiaries has been denied any insurance coverage which it has sought or for which it has applied.

(t) Transactions with Affiliates and Employees. None of the officers, directors or employees of the Company is presently a party to any transaction with the Company (other than as disclosed in the Company's SEC Documents and other than for ordinary course services as employees, officers or directors), including any contract, agreement or other arrangement providing for the furnishing of services to or by, providing for rental of real or personal property to or from, or otherwise requiring payments to or from any such officer, director or employee or, to the Knowledge of the Company, any corporation, partnership, trust or other Person in which any such officer, director, or employee has a substantial interest or is an employee, officer, director, trustee or partner.

(u) Internal Controls. The books, records and accounts of the Company and its Subsidiaries accurately and fairly reflect, the transactions in, and dispositions of, the assets of, and the results of operations of, the Company and its Subsidiaries. The Company and each of its Subsidiaries maintains a system of internal accounting controls sufficient to provide reasonable assurances that; (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and to maintain asset accountability, (iii) access to assets is permitted only in accordance with management's general or specific authorization, (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences and (v) the interactive data in eXtensible Business Reporting Language that the Company files with the Commission fairly presents the information called for in all material respects and is prepared in accordance with the Commission's rules and guidelines applicable thereto.

(v) Disclosure Controls. The Company has established and maintains disclosure controls and procedures (as such term is defined in Rule 13a-15 under the Exchange Act), which: (i) are designed to ensure that material information relating to the Company is made known to the Company's principal executive officer and its principal financial officer by others within the Company, particularly during the periods in which the periodic reports required under the Exchange Act are required to be prepared; (ii) provide for the periodic evaluation of the effectiveness of such disclosure controls and procedures at the end of the periods in which the periodic reports are required to be prepared; and (iii) are effective in all material respects to perform the functions for which they were established.

(w) [Reserved].

(x) Certain Fees. No person or entity will have, as a result of the transactions contemplated by this Agreement, any valid right, interest or claim against or upon the Company or a Purchaser for any commission, fee or other compensation pursuant to any agreement, arrangement or understanding entered into by or on behalf of the Company, other than the Placement Agent with respect to the offer and sale of the Securities (which placement agent fees are being paid by the Company or Almata, as the case may be) and advisor fees being paid by the Company or Almata in connection with the Merger Agreement. The Purchasers shall have no obligation with respect to any fees or with respect to any claims made by or on behalf of other Persons for fees of a type contemplated in this Section 3.1(x) that may be due in connection with the transactions contemplated by the Transaction Documents. The Company shall indemnify, pay, and hold each Purchaser harmless against, any liability, loss or expense (including,

without limitation, reasonable attorneys' fees and out of pocket expenses) arising in connection with any such right, interest or claim.

(y) Private Placement. Assuming the accuracy of the Purchasers' representations and warranties set forth in Section 3.2 of this Agreement, no registration under the Securities Act is required for the offer and sale of the Securities by the Company to the Purchasers under the Transaction Documents (including, subject to the Company obtaining Requisite Stockholder Approval, the issuance of Conversion Shares upon the conversion of the Preferred Shares and the issuance of Warrant Shares upon exercise of the Warrants). The issuance and sale of the Securities hereunder (including, subject to the Company obtaining Requisite Stockholder Approval, the issuance of Conversion Shares upon the conversion of the Preferred Shares and the issuance of Warrant Shares upon exercise of the Warrants) does not contravene the rules and regulations of the Principal Trading Market.

(z) Company Not an "*Investment Company*." The Company is not, and will not be, immediately after receipt of payment for the Securities, required to register as an "investment company" under the Investment Company Act of 1940, as amended.

(aa) Shell Company Status. The Company is not currently, and has never been, an issuer identified in Rule 144(i)(1) under the Securities Act.

(bb) Registration Rights. Other than each of the Purchasers, no Person has any right to cause the Company to effect the registration under the Securities Act of the offer and sale of any securities of the Company other than those offers and sales which are currently registered on an effective registration statement on file with the Commission.

(cc) Listing and Maintenance Requirements. The Company's Common Stock is registered pursuant to Section 12(b) or Section 12(g) of the Exchange Act, and the Company has taken no action designed to terminate the registration of the Common Stock under the Exchange Act, nor has the Company received any notification that the Commission or the Principal Trading Market is contemplating terminating such registration or listing. The Company is, and immediately following the Closing will be, in compliance with all applicable listing requirements of the Principal Trading Market. The Company has filed with Nasdaq an additional shares listing application covering the Derivative Shares and has not received any objections from Nasdaq with respect to such application or with respect to the transactions contemplated hereby or by the Merger Agreement.

(dd) Disclosure. The Company confirms that it has not provided, and none of its officers or directors nor any other Person acting on its or their behalf (including, without limitation, the Placement Agent) has provided, and it has not authorized the Placement Agent to provide, any Purchaser or its respective agents or counsel with any information that it believes constitutes material, non-public information except information which will be disclosed by the Company in the Press Release as contemplated by Section 4.4 hereof. The Company understands and confirms that the Purchasers will rely on the foregoing representations in effecting transactions in securities of the Company.

(ee) No Integrated Offering. Assuming the accuracy of the Purchasers' representations and warranties set forth in Section 3.2, none of the Company, its Subsidiaries nor any of its Affiliates or any Person acting on its behalf has, directly or indirectly, at any time within the past six (6) 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 the Securities Act, including Regulation D, 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 the Transaction Documents 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 Trading Market on which any of the securities of the Company are listed or designated, such that the offering would violate any such provision.

(ff) Tax Matters. The Company and each of its Subsidiaries has timely filed all federal, state, local and foreign tax returns which are required to be filed by or with respect to it under applicable

law. All such tax returns are true and correct in all material respects or has received timely extensions thereof, and other than has been described in the SEC Reports has paid all taxes shown on such returns and all assessments received by it to the extent that the same are material and have become due. There are no tax audits or investigations pending, which if adversely determined, could reasonably be expected to have a Material Adverse Effect; nor are there any material proposed additional tax assessments against the Company or any of its Subsidiaries.

(gg) Compliance with Environmental Laws. (i) Each of the Company and each of its Subsidiaries is in compliance in all material respects with all rules, laws and regulation relating to the use, treatment, storage and disposal of toxic substances and protection of health or the environment ("**Environmental Law**") which are applicable to its business; (ii) neither the Company nor its Subsidiaries has received any notice from any Governmental Authority or third party of an asserted claim under Environmental Laws; (iii) each of the Company and each of its Subsidiaries has received all permits, licenses or other approvals required of it under applicable Environmental Laws to conduct its business and is in compliance with all terms and conditions of any such permit, license or approval; (iv) to the Company's Knowledge, no facts currently exist that will require the Company or any of its Subsidiaries to make future material capital expenditures to comply with Environmental Laws; and (v) no property which is or has been owned, leased or occupied by the Company or its Subsidiaries has been designated as a Superfund site pursuant to the Comprehensive Environmental Response, Compensation of Liability Act of 1980, as amended (42 U.S.C. Section 9601, *et seq*.) or otherwise designated as a contaminated site under applicable state or local law. Neither the Company nor any of its Subsidiaries has been named as a "potentially responsible party" under the CER, CLA 1980.

(hh) No General Solicitation. Neither the Company nor, to the Company's Knowledge, any person acting on behalf of the Company has, directly or indirectly, offered or sold any of the Securities or Derivative Shares, or solicited any offers to buy any Securities or Derivative Shares, under any circumstances that would require registration under the Securities Act of the Securities or the Derivative Shares, including by any form of general solicitation or general advertising.

(ii) Anti-Corruption and Anti-Bribery Laws. Neither the Company nor any of its Subsidiaries nor any director, officer, or employee of the Company or any of its Subsidiaries, nor to the Company's Knowledge, any agent, Affiliate or other person acting on behalf of the Company or any of its Subsidiaries has, in the course of its actions for, or on behalf of, the Company or any of its Subsidiaries (i) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expenses relating to political activity; (ii) made or taken any act in furtherance of an offer, promise, or authorization of any direct or indirect unlawful payment or benefit to any non-U.S. or domestic government official or employee, including of any government-owned or controlled entity or public international organization, or any political party, party official, or candidate for political office; (iii) violated or is in violation of any provision of the U.S. Foreign Corrupt Practices Act of 1977, as amended (the "***FCPA***"), the UK Bribery Act 2010, or any other applicable anti-bribery or anti-corruption Law; or (iv) made, offered, authorized, requested, or taken an act in furtherance of any unlawful bribe, rebate, payoff, influence payment, kickback or other unlawful payment or benefit. The Company and its Subsidiaries and, to the Company's Knowledge, the Company's Affiliates have conducted their respective businesses in compliance with the FCPA and have instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith.

(jj) Money Laundering Laws. The operations of the Company and its Subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements of the USA Patriot Act, the Bank Secrecy Act of 1970, as amended, the money laundering statutes of all jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the "***Money Laundering Laws***"); and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator or non-governmental authority involving the Company or its Subsidiaries with respect to the Money Laundering Laws is pending or, to the Company's Knowledge, threatened.

(kk) OFAC. Neither the Company nor its Subsidiaries nor any of their respective Affiliates, directors, officers, nor to the Company's Knowledge, any agent or employee of the Company or its Subsidiaries is subject to any sanctions administered or enforced by the Office of Foreign Assets Control ("***OFAC***") of the United States Treasury Department, the U.S. Department of State, the United Nations Security Council, the European Union, His Majesty's Treasury or any other relevant sanctions authority; and the Company will not directly or indirectly use the proceeds of the offering of the Securities contemplated hereby, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other person or entity for the purpose of financing the activities of any person that is the target of sanctions administered or enforced by such authorities or in connection with any country or territory that is the target of country- or territory-wide OFAC sanctions (currently, Iran, Syria, Cuba, North Korea, the Crimea, so-called Donetsk People's Republic, and so-called Luhansk People's Republic regions of Ukraine).

(ll) Off Balance Sheet Arrangements. There is no transaction, arrangement, or other relationship between the Company (or any Subsidiary) and an unconsolidated or other off balance sheet entity that is required to be disclosed by the Company in SEC Reports and is not so disclosed and would have or reasonably be expected to result in a Material Adverse Effect.

(mm) [Reserved.]

(nn) No Price Stabilization or Manipulation; Compliance with Regulation M. Neither the Company nor any of its Subsidiaries has taken, directly or indirectly, any action designed to or that might cause or result in stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Securities or Derivative Shares or otherwise, and has taken no action which would directly or indirectly violate Regulation M under the Exchange Act.

(oo) Clinical Data and Regulatory Compliance. The preclinical tests and clinical trials, and other studies (collectively, " ***studies***") that are described in, or the results of which are referred to in, the SEC Reports 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. 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 SEC Reports. With respect to the studies that are described or referred to in the SEC Reports, the Company and its Subsidiaries have made all such filings and obtained all such approvals for such studies as currently conducted as may be required by the Food and Drug Administration of the U.S. Department of Health and Human Services or any committee thereof or from any other U.S. or non-U.S. government or drug or medical device regulatory agency, or health care facility Institutional Review Board (collectively, the "***Regulatory Agencies***"). Neither the Company nor any of its Subsidiaries has received any notice of, or correspondence from, any Regulatory Agency requiring the termination, suspension or modification of any clinical trials that are described or referred to in the SEC Reports. 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.

(pp) No Additional Agreements. The Company does not have any agreement or understanding (including side letters) with any Purchaser with respect to the transactions contemplated by the Transaction Documents other than as specified in the Transaction Documents.

(qq) No Disqualification Events. No "bad actor" disqualifying event described in Rule 506(d)(1)(i)-(viii) of the Securities Act (a "***Disqualification Event***") is applicable to the Company or, to the Company's Knowledge, any Company Covered Person, except for a Disqualification Event as to which Rule 506(d)(2)(ii)-(iv) or (d)(3), is applicable. Other than the Placement Agent, 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 or the Conversion Shares pursuant to this Agreement. The Company has complied, to the extent applicable, with

its disclosure obligations under Rule 506(e), and has furnished to the Placement Agent a copy of any disclosures provided thereunder.

(rr) Data Security. Except as disclosed in the SEC Reports, (i)(x) the Company has no Knowledge of any security breach or other compromise of the Company's information technology and computer systems, networks, hardware, software, data and databases (including the data and information of its customers, employees, suppliers, vendors and any third party data maintained by or on behalf of the Company) (collectively, "***IT Systems and Data***") and (y) the Company has not been notified of, and has no Knowledge of any event or condition that would reasonably be expected to result in, any security breach or other compromise to its IT Systems and Data, except for those instances referred to in clauses (i)(x) and (i)(y) that have been remedied without material cost or liability to the Company or without the duty to notify any other person or any incidents under internal review or investigations relating to the same; (ii) the Company is presently in compliance with all applicable laws or statutes and all applicable judgments, orders, rules and regulations of any governmental authority relating to the protection of such IT Systems and Data from unauthorized use, access, misappropriation or modification; and (iii) the Company has implemented commercially reasonable backup and disaster recovery technology, except, in each of clauses (ii) and (iii), where such noncompliance, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect.

(ss) Privacy Laws. Except as would not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect, the Company and its Subsidiaries are, and during the past three years were, in compliance with all applicable state and federal data privacy and security laws and regulations, including without limitation the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act (collectively, "***HIPAA***"), and the Company and its Subsidiaries have taken commercially reasonable actions to prepare to comply with, and since May 25, 2018, have been and currently are in compliance in all material respects with, the European Union General Data Protection Regulation ("***GDPR***") (EU 2016/679) (collectively, the "***Privacy Laws***"). To ensure compliance with the Privacy Laws, the Company and its Subsidiaries have in place, comply with, and take appropriate steps reasonably designed to ensure compliance in all material respects with their policies and procedures relating to data privacy and security and the collection, storage, use, disclosure, handling, and analysis of Personal Data (the "***Policies***"). Except as would not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect, the Company and its Subsidiaries have at all times made all disclosures to users or customers required by applicable laws and regulatory rules or requirements, and none of such disclosures made or contained in any Policy have, to the Company's Knowledge, been inaccurate or in violation of any applicable laws and regulatory rules or requirements in any material respect. The Company further certifies that neither it nor any Subsidiary: (i) has received written notice of any actual or potential liability under or relating to, or actual or potential violation of, any of the Privacy Laws, and has no Knowledge of any event or condition that would reasonably be expected to result in any such notice; (ii) is currently conducting or paying for, in whole or in part, any investigation, remediation, or other corrective action pursuant to any Privacy Law; or (iii) is a party to any order, decree, or agreement that imposes any obligation or liability under any Privacy Law, except, in each of clauses (i), (ii) and (iii), which would, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

(tt) No Registration. Assuming the accuracy of each Purchaser's representations and warranties set forth in Section 3.2 of this Agreement, no registration under the Securities Act is required for the offer and sale of the Securities by the Company to the Purchasers as contemplated hereby (including, subject to the Company obtaining Requisite Stockholder Approval, the issuance of Derivative Shares upon the conversion of the Securities).

3.2 Representations and Warranties of the Purchasers. Each Purchaser hereby, for itself and for no other Purchaser, represents and warrants to the Company as follows:

(a) Organization; Authority. Such Purchaser is an entity duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization with the requisite corporate or, if such Purchaser is not a corporation, such partnership, limited liability company or other applicable

power and authority to enter into and to consummate the transactions contemplated by the applicable Transaction Documents and otherwise to carry out its obligations hereunder and thereunder. The execution and delivery of this Agreement by such Purchaser and performance by such Purchaser of the transactions contemplated by this Agreement have been duly authorized by all necessary corporate or, if such Purchaser is not a corporation, such partnership, limited liability company or other applicable like action, on the part of such Purchaser. Each Transaction Document to which it is a party has been duly executed by such Purchaser, and when delivered by such Purchaser in accordance with the terms hereof, will constitute the valid and legally binding obligation of such Purchaser, enforceable against it in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, examinership, insolvency, reorganization, moratorium, liquidation or similar laws relating to, or affecting generally the enforcement of, creditors' rights and remedies or by other equitable principles of general application.

(b) No Conflicts. The execution, delivery and performance by such Purchaser of this Agreement and the Registration Rights Agreement and the consummation by such Purchaser of the transactions contemplated hereby and thereby will not (i) result in a violation of the organizational documents of such Purchaser, (ii) conflict with, or constitute a default (or an event which with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument to which such Purchaser is a party, or (iii) result in a violation of any Law, rule, regulation, order, judgment or decree (including U.S. federal and state securities laws) applicable to such Purchaser, except in the case of clauses (ii) and (iii) above, for such conflicts, defaults, rights or violations which would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the ability of such Purchaser to perform its obligations hereunder.

(c) Investment Intent. Such Purchaser understands that the Securities are (and the Derivative Shares will be) "restricted securities" and the offer and sale thereof have not been registered under the Securities Act or any applicable U.S. state securities law and is acquiring the Securities as principal for its own account and not with a view to, or for distributing or reselling such Securities (or the Derivative Shares) or any part thereof in violation of the Securities Act or any applicable U.S. state or other securities laws; *provided*, *however*, that by making the representations herein, such Purchaser does not agree to hold any of the Securities or Derivative Shares for any minimum period of time and reserves the right, subject to the provisions of this Agreement and the Registration Rights Agreement, at all times to sell or otherwise dispose of all or any part of such Securities or Derivative Shares pursuant to an effective registration statement under the Securities Act or under an exemption from such registration and in compliance with applicable U.S. federal, state and other securities laws. Such Purchaser is acquiring the Securities hereunder in the ordinary course of its business.

Such Purchaser does not presently have any agreement, plan or understanding, directly or indirectly, with any Person to distribute or effect any distribution of any of the Securities (or any securities which are derivatives thereof) to or through any person or entity in violation of federal securities law. Such Purchaser is not a registered broker-dealer under Section 15 of the Exchange Act or an entity engaged in a business that would require it to be so registered as a broker-dealer.

(d) Purchaser Status. At the time such Purchaser was offered the Securities, it was, and at the date hereof it is, an "accredited investor" as defined in Rule 501(a) under the Securities Act.

(e) General Solicitation. Such 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 or radio or presented at any seminar or any other general advertisement. The purchase of the Securities by such Purchaser has not been solicited by or through anyone other than the Company or the Placement Agent on the Company's behalf.

(f) Experience of Such Purchaser. Such Purchaser, either alone or together with its representatives, has such knowledge, sophistication and experience in business and financial matters so as to be capable of evaluating the merits and risks of the prospective investment in the Securities, and has so

evaluated the merits and risks of such investment. Such Purchaser is able to bear the economic risk of an investment in the Securities.

(g) Access to Information. Such Purchaser acknowledges that it has had the opportunity to review the SEC Reports and has been afforded (i) the opportunity to ask such questions as it has deemed necessary of, and to receive answers from, representatives of the Company concerning the terms and conditions of the offering of the Securities and the merits and risks of investing in the Securities; (ii) access to information about the Company and the Subsidiaries and their respective financial condition, results of operations, business, properties, management and prospects sufficient to enable it to evaluate its investment; and (iii) the opportunity to obtain such additional information that the Company possesses or can acquire without unreasonable effort or expense that is necessary to make an informed investment decision with respect to the investment. Neither such inquiries nor any other investigation conducted by or on behalf of such Purchaser or its representatives or counsel shall modify, amend or affect such Purchaser's right to rely on the truth, accuracy and completeness of the SEC Reports and the Company's representations and warranties contained in the Transaction Documents. Such Purchaser has sought such accounting, legal and tax advice as it has considered necessary to make an informed decision with respect to its acquisition of the Securities.

(h) Certain Trading Activities. Other than with respect to the transactions contemplated by this Agreement, since the time that such Purchaser was first contacted by the Company, the Placement Agent or any other Person regarding the transactions contemplated hereby, the Purchaser has not, directly or indirectly, effected or agreed to effect any Short Sales. Notwithstanding the foregoing, (i) in the case of a Purchaser that is a multi-managed investment vehicle whereby separate portfolio managers manage separate portions of such Purchaser's assets, the foregoing representation shall only apply with respect to the portion of assets managed by the portfolio manager that made the investment decision to purchase the Securities covered by this Agreement and (ii) and in the case of a Purchaser whose investment adviser utilized an information barrier with respect to the information regarding the transactions contemplated hereunder after first being contacted by the Company or such other Person representing the Company, the representation set forth above shall only apply after the point in time when the portfolio manager who manages such Purchaser's assets was informed of the information regarding the transactions contemplated hereunder and, with respect to the Purchaser's investment adviser, the representation set forth above shall only apply with respect to any purchases or sales, including Short Sales, of the securities of the Company on behalf of other funds or investment vehicles for which the Purchaser's investment adviser is also an investment adviser or sub-adviser after the point in time when the portfolio manager who manages the assets of such other funds or investment vehicles for which the Purchaser's investment adviser is also an investment adviser or sub-adviser was informed of the information regarding the transactions contemplated hereunder. Other than to other Persons party to this Agreement and to the Purchaser's representatives or agents, including, but not limited to, the Purchaser's legal, tax and investment advisors, such Purchaser has maintained the confidentiality of all disclosures made to it in connection with this transaction (including the existence and terms of this transaction). Notwithstanding the foregoing, for avoidance of doubt, nothing contained herein shall constitute a representation or warranty, or preclude any actions, with respect to the identification of the availability of, or securing of, available shares to borrow in order to effect Short Sales or similar transactions in the future.

(i) Brokers and Finders. No Person will have, as a result of the transactions contemplated by this Agreement, any valid right, interest or claim against or upon the Purchaser for any commission, fee or other compensation pursuant to any agreement, arrangement or understanding entered into by or on behalf of the Purchaser. No Purchaser shall have any obligation with respect to any fees, or with respect to any claims made by or on behalf of other Persons for fees, in each case of the type contemplated by this Section 3.2(i) that may be due in connection with the transactions contemplated by this Agreement or the Transaction Documents.

(j) Independent Investment Decision. Such Purchaser has independently evaluated the merits of its decision to purchase Securities pursuant to the Transaction Documents, and such Purchaser confirms that it has not relied on the advice of any other Purchaser's business and/or legal counsel in making such decision. Such Purchaser understands that nothing in this Agreement or any other materials presented by or on behalf of the Company to the Purchaser in connection with the purchase of the

Securities constitutes legal, tax or investment advice. Such Purchaser has consulted such legal, tax and investment advisors as it, in its sole discretion, has deemed necessary or appropriate in connection with its purchase of the Securities. Such Purchaser understands that the Placement Agent has acted solely as the agent of the Company in this placement of the Securities and such Purchaser has not relied on the business or legal advice of the Placement Agent or any of their agents, counsel or Affiliates in making its investment decision hereunder, and confirms that none of such Persons has made any representations or warranties to such Purchaser in connection with the transactions contemplated by the Transaction Documents.

(k) Reliance on Exemptions. Such Purchaser understands that the Securities are being offered and sold to it in reliance on specific exemptions from the registration requirements of United States federal and state securities laws and that the Company is relying in part upon the truth and accuracy of, and such Purchaser's compliance with, the representations, warranties, agreements, acknowledgements and understandings of such Purchaser set forth herein in order to determine the availability of such exemptions and the eligibility of such Purchaser to acquire the Securities.

(l) No Governmental Review. Such Purchaser understands that no United States federal or state agency or any other government or governmental agency has passed on or made any recommendation or endorsement of the Securities or the fairness or suitability of the investment in the Securities nor have such authorities passed upon or endorsed the merits of the offering of the Securities.

(m) Regulation M. Such Purchaser is aware that the anti-manipulation rules of Regulation M under the Exchange Act may apply to sales of Securities and other activities with respect to the Securities by the Purchasers.

(n) 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 set forth under such Purchaser's name on **Annex A** hereto or as otherwise specified below its address on **Annex A** hereto.

The Company and each of the Purchasers acknowledge and agree that no party to this Agreement has made or makes any representations or warranties with respect to the transactions contemplated hereby other than those specifically set forth in this Article 3 and the Transaction Documents.

ARTICLE 4

OTHER AGREEMENTS OF THE PARTIES

4.1 Transfer Restrictions.

(a) Compliance with Laws. Notwithstanding any other provision of this Article 4, each Purchaser covenants that the Securities and Derivative Shares may be disposed of only pursuant to an effective registration statement under, and in compliance with the requirements of, the Securities Act, or pursuant to an available exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, and in compliance with any applicable U.S. state and federal securities laws. In connection with any transfer of the Securities other than (i) pursuant to an effective registration statement, (ii) to the Company, (iii) pursuant to Rule 144 , or (iv) in connection with a bona fide pledge as contemplated in Section 4.1(b), the Company may require the transferor thereof to provide to the Company an opinion of counsel selected by the transferor and reasonably acceptable to the Company, the form and substance of which opinion shall be reasonably satisfactory to the Company, to the effect that such transfer does not require registration of such transferred Securities or Derivative Shares under the Securities Act and, as a condition of transfer, any such transferee shall agree in writing to be bound by the terms of this Agreement and the Registration Rights Agreement and shall have the rights of a Purchaser under this Agreement and the Registration Rights Agreement with respect to such transferred Securities or Derivative Shares.

(b) Legends. Book-entry statements evidencing the Securities and any Derivative Shares shall bear any legend as required by the "blue sky" laws of any state and a restrictive legend in substantially the following form:

THE OFFER AND SALE OF THE SECURITIES REPRESENTED BY THIS ACCOUNT STATEMENT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. THE SECURITIES MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED, HYPOTHECATED, TRANSFERRED OR ASSIGNED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER APPLICABLE SECURITIES LAWS, OR UNLESS OFFERED, SOLD, PLEDGED, HYPOTHECATED OR TRANSFERRED PURSUANT TO AN AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THOSE LAWS. OTHER THAN FOR A TRANSFER (I) TO THE COMPANY OR (II) PURSUANT TO RULE 144, THE COMPANY AND ITS TRANSFER AGENT SHALL BE ENTITLED TO REQUIRE AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY AND THE TRANSFER AGENT THAT SUCH REGISTRATION IS NOT REQUIRED. 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.

The Company acknowledges and agrees that a Purchaser may from time to time pledge, and/or grant a security interest in, some or all of the legended Securities or Derivative Shares in connection with applicable securities laws, pursuant to a bona fide margin agreement in compliance with a bona fide margin loan. Such a pledge would not be subject to approval or consent of the Company and no legal opinion of legal counsel to the pledgee, secured party or pledgor shall be required in connection with the pledge, but such legal opinion shall be required in connection with a subsequent transfer or foreclosure following default by the Purchaser transferee of the pledge. No notice shall be required of such pledge, but Purchaser's transferee shall promptly notify the Company of any such subsequent transfer or foreclosure. Each Purchaser acknowledges that the Company shall not be responsible for any pledges relating to, or the grant of any security interest in, any of the Securities or Derivative Shares or for any agreement, understanding or arrangement between any Purchaser and its pledgee or secured party. At the appropriate Purchaser's expense, the Company will execute and deliver such reasonable documentation as a pledgee or secured party of Securities or Derivative Shares may reasonably request in connection with a pledge or transfer of the Securities or Derivative Shares, as applicable, including the preparation and filing of any required prospectus supplement under Rule 424(b)(3) of the Securities Act or other applicable provision of the Securities Act to appropriately amend the list of selling stockholders thereunder. Each Purchaser acknowledges and agrees that, except as otherwise provided in Section 4.1(c), any Securities or Derivative Shares subject to a pledge or security interest as contemplated by this Section 4.1(b) shall continue to bear the legend set forth in this Section 4.1(b) and be subject to the restrictions on transfer set forth in Section 4.1(b).

(c) Removal of Legends. Once a Registration Statement covering the resale of the Derivative Shares is declared effective, the Company shall remove, and cause its Transfer Agent to remove, all restrictive legends, including the legend set forth in Section 4.1(b) above (or, in the event that Derivative Shares are issued upon conversion or exercise, as applicable, after the Registration Statement is declared effective, the Derivative Shares shall be issued without restrictive legends). Further, the Company shall remove all restrictive legends, including the legend set forth in Section 4.1(b) above, (i) following any sale of such Derivative Shares pursuant to Rule 144 or any other applicable exemption from the registration requirements of the Securities Act, or (ii) if such Derivative Shares are eligible for resale under Rule 144(b)(1) or any successor provision (or, in the event that Derivative Shares are issued upon conversion or exercise, as applicable, after the conditions set forth in clauses (i) and (ii) above, the Derivative Shares shall be issued without restrictive legends). Without limiting the foregoing, either (i) upon request of the Purchaser, upon receipt by the Company of an opinion of counsel reasonably satisfactory to the Company to the effect that such legend is no longer required under the Securities Act and applicable state securities laws or (ii) as contemplated by the Irrevocable Transfer Agent Instructions, the Company shall promptly cause the legend to be removed from any book-entry statement for any Derivative Shares in accordance with the terms of this Agreement and deliver, or cause to be delivered, to any Purchaser new book-entry statement(s) representing the Derivative Shares that are free from all

restrictive and other legends or, at the request of such Purchaser, via DWAC transfer to such Purchaser's account.

(d) Irrevocable Transfer Agent Instructions. Prior to the Closing, the Company shall issue the Irrevocable Transfer Agent Instructions. The Company represents and warrants that no instruction other than the Irrevocable Transfer Agent Instructions referred to in this Section 4.1(d) (or instructions that are consistent therewith) will be given by the Company to its Transfer Agent in connection with this Agreement, and that the Securities and Derivative Shares shall otherwise be freely transferable on the books and records of the Company as and to the extent provided in this Agreement and the other Transaction Documents and applicable law. The Company acknowledges that a breach by it of its obligations under this Section 4.1(d) will cause irreparable harm to a Purchaser. Accordingly, the Company acknowledges that the remedy at law for a breach of its obligations under this Section 4.1(d) may be inadequate and agrees, in the event of a breach or threatened breach by the Company of the provisions of this Section 4.1(d) that a Purchaser shall be entitled, in addition to all other available remedies, to an order and/or injunction restraining any breach and requiring immediate issuance and transfer, without the necessity of showing irreparable harm or economic loss and without any bond or other security being required.

(e) Acknowledgement. Each Purchaser hereunder acknowledges its primary responsibilities under the Securities Act and accordingly will not sell or otherwise transfer the Securities or Derivative Shares or any interest therein without complying with the requirements of the Securities Act.

4.2 Furnishing of Information. In order to enable the Purchasers to sell the Securities and Derivative Shares under Rule 144, until such time as Purchaser may sell the Securities and Derivative Shares without limitation under Rule 144, the Company shall use its commercially reasonable efforts to timely file (or obtain extensions in respect thereof and file within the applicable grace period) all reports required to be filed by the Company after the date hereof pursuant to the Exchange Act and, if during such period, the Company is not required to file reports pursuant to the Exchange Act, it will prepare and furnish to the Purchasers and make publicly available in accordance with Rule 144(c) such information as is required for the Purchasers to sell the Securities and Derivative Shares under Rule 144.

4.3 Integration. The Company shall not, and shall use its commercially reasonable efforts to ensure that no Affiliate of the Company shall, sell, offer for sale or solicit offers to buy or otherwise negotiate in respect of any security (as defined in Section 2 of the Securities Act) that will be integrated with the offer or sale of the Securities or Derivative Shares in a manner that would require the registration under the Securities Act of the sale of the Securities or Derivative Shares to the Purchasers, or that will be integrated with the offer or sale of the Securities or Derivative Shares for purposes of the rules and regulations of any Trading Market such that it would require stockholder approval prior to the closing of such other transaction unless stockholder approval is obtained before the closing of such subsequent transaction; *provided*, *however*, that this Section 4.3 shall not limit the Company's right to issue shares of capital stock pursuant to the Merger Agreement.

4.4 Securities Laws Disclosure; Publicity. By no later than 9:00 A.M., New York City time, on the Trading Day immediately following the date hereof (provided that, if this Agreement is executed between midnight and 9:00 A.M., New York City time on any Trading Day, no later than 9:01 A.M. on the date hereof), the Company shall (a) issue a press release (the "***Press Release***") reasonably acceptable to the Placement Agent and the Lead Investors disclosing all material terms of the transactions contemplated hereby and (b) file a Current Report on Form 8 K with the Commission describing the terms of the Transaction Documents (and including as exhibits to such Current Report on Form 8-K the material Transaction Documents (including, without limitation, this Agreement, the Registration Rights Agreement, the Certificates of Designation, and the form of Warrant)); provided that the Press Release shall not publicly disclose the name of any Purchaser or investment adviser of any Purchaser, or include the name of any Purchaser or an Affiliate of any Purchaser without the prior written consent of such Purchaser. In addition, notwithstanding the foregoing, the Company shall not publicly disclose the name of any Purchaser or investment adviser of any Purchaser, or include the name of any Purchaser or an Affiliate of any Purchaser without the prior written consent of such Purchaser (i) in any press release or marketing materials or (ii) in any filing with the Commission or any regulatory agency or Trading

Market, except as required by U.S. federal securities law (A) in connection with any registration statement contemplated by the Registration Rights Agreement (which shall be subject to review and comment of the Purchasers pursuant to the terms of the Registration Rights Agreement) or the filing of final Transaction Documents (including signature pages thereto) with the Commission and (B) to the extent such disclosure is required by law, request of the Commission's staff or Trading Market regulations, in which case the Company shall provide the Purchasers with prior written notice of such disclosure permitted under this subclause (ii). From and after the issuance of the Press Release, no Purchaser shall be in possession of any material, non-public information received from the Company, any Subsidiary or any of their respective officers, directors, employees or agents, that is not disclosed in the Press Release. Each Purchaser, severally and not jointly with the other Purchasers, covenants that until such time as the transactions contemplated by this Agreement are publicly disclosed by the Company pursuant to the Press Release, such Purchaser will maintain the confidentiality of the existence and terms of this transaction and the information provided in connection therewith; provided, however, that any disclosure may be made by the Purchaser to the Purchaser's representatives or agents, including, but not limited to, the Purchaser's legal, tax and investment advisors.

4.5 Shareholder Rights Plan. No claim will be made or enforced by the Company or, with the consent of the Company, any other Person, that any Purchaser is an "***Acquiring Person***" under any control share acquisition, business combination, poison pill (including any distribution under a rights agreement) or similar anti-takeover plan or arrangement or Law (including Section 203 of the Delaware General Corporation Law) (a "***Shareholders Rights Plan***")in effect or hereafter adopted by the Company, or that any Purchaser could be deemed to trigger the provisions of any such plan or arrangement, in either case solely by virtue of receiving Securities or Derivative Shares under the Transaction Documents, and no such Shareholder Rights Plan is currently in effect.

4.6 Non-Public Information. Except with respect to the material terms and conditions of the transactions contemplated by the Transaction Documents, including this Agreement, or as expressly required by any applicable securities law, the Company covenants and agrees that neither it, nor any other Person acting on its behalf, will provide any Purchaser or its agents or counsel with any information regarding the Company that the Company believes constitutes material non-public information without the express written (email being sufficient) consent of such Purchaser, (i) unless prior thereto such Purchaser shall have committed to customary obligations regarding the confidentiality and use of such information and (ii) except in the case of material, nonpublic information provided to an observer or member of the Company's Board who is affiliated with such Purchaser. The Company understands and confirms that each Purchaser shall be relying on the foregoing covenant in effecting transactions in securities of the Company.

4.7 Use of Proceeds. The Company shall use the net proceeds from the sale of the Securities hereunder for Milestone Consideration (as defined in the Merger Agreement) and general corporate purposes, including accounts payable, and payments related to the Merger, but not for the redemption of any equity securities of the Company or the repayment of any indebtedness of the Company.

4.8 Principal Trading Market Listing. The Company shall use its reasonable best efforts to take all steps necessary to cause the Derivative Shares to be approved for listing on the Principal Trading Market as promptly as possible.

4.9 Form D; Blue Sky. The Company agrees to timely file a Form D with respect to the Securities as required under Regulation D and to provide a copy thereof, promptly upon the written request of any Purchaser. 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 the Purchasers under applicable securities or "blue sky" Laws of the states of the United States (or to obtain an exemption from such qualification) and shall provide evidence of such actions promptly upon the written request of any Purchaser.

4.10 Short Sales After the Date Hereof. Such Purchaser shall not engage, directly or indirectly, in any transactions in the Company's securities (including, without limitation, any Short Sales involving the Company's securities) during the period from the date hereof until the earlier of such time as (i) the

transactions contemplated by this Agreement are first publicly announced as required by and described in Section 4.4 or (ii) this Agreement is terminated in full pursuant to Section 6.18.

Notwithstanding the foregoing, no Purchaser makes any representation, warranty or covenant hereby that it will not engage in Short Sales in the securities of the Company after the time that the transactions contemplated by this Agreement are first publicly announced as described in Section 4.4; *provided*, *however*, each Purchaser agrees, severally and not jointly with any Purchasers, that they will not enter into any Net Short Sales (as hereinafter defined) from the period commencing on the Closing Date and ending on the earliest of (x) the Effective Date, (y) the twelve (12) month anniversary of the Closing Date or (z) the date that such Purchaser no longer holds any Securities. For purposes of this Section 4.12, a "***Net Short Sale***" by any Purchaser shall mean a sale of Common Stock by such Purchaser that is marked by such Purchaser as a short sale and that is made at a time when there is no equivalent offsetting long position in Common Stock held by such Purchaser. Notwithstanding the foregoing, in the event that a Purchaser is a multi-managed investment vehicle whereby separate portfolio managers manage separate portions of such Purchaser's assets and the portfolio managers have no direct knowledge of the investment decisions made by the portfolio managers managing other portions of such Purchaser's assets, the representation set forth above shall apply only with respect to the portion of assets managed by the portfolio manager that have knowledge about the financing transaction contemplated by this Agreement. Moreover, notwithstanding the foregoing, in the event that a Purchaser has sold Securities pursuant to Rule 144 prior to the Effective Date and the Company has failed to deliver certificates without legends prior to the settlement date for such sale (assuming that such certificates meet the requirements set forth in Section 4.1(c) for the removal of legends), the provisions of this Section 4.10 shall not prohibit the Purchaser from entering into Net Short Sales for the purpose of delivering shares of Common Stock in settlement of such sale.

4.11 Beneficial Ownership Limitation. Notwithstanding anything to the contrary set forth in the Certificates of Designation, the Company shall not effect any conversion of any share of Preferred Shares or issue any Warrant Shares upon exercise of the Warrants, and a Purchaser shall not have the right to convert or exercise, as applicable, any portion of its Securities, to the extent that, after giving effect to such attempted conversion or exercise set forth on an applicable Notice of Conversion (as defined in the Certificates of Designation) and Notice of Exercise (as defined in the Warrant with respect to the Securities, such Purchaser (or any of such Purchaser's Affiliates or any other Person who would be a beneficial owner of Common Stock beneficially owned by the Purchaser for purposes of Section 13(d) or Section 16 of the Exchange Act and the applicable rules and regulations of the Commission, including any "group" of which the Purchaser is a member (the foregoing, "***Attribution Parties***")) would beneficially own a number of shares of Common Stock in excess of the Beneficial Ownership Limitation (as defined below). For purposes of the foregoing sentence, the aggregate number of shares of Common Stock beneficially owned by such Purchaser and its Attribution Parties shall include the number of shares of Common Stock issuable upon conversion or exercise, as applicable, of the Securities subject to the Notice of Conversion or Automatic Conversion (as defined in the Certificates of Designation) or Notice of Exercise (as defined in the Warrant Agreement), as applicable, with respect to which such determination is being made, but shall exclude the number of shares of Common Stock which are issuable upon (i) conversion of the remaining, unconverted Securities beneficially owned by such Purchaser or any of its Attribution Parties, and (ii) exercise or conversion of the unexercised or unconverted portion of any other securities of the Company beneficially owned by such Purchaser or any of its Attribution Parties that are subject to and would exceed a limitation on conversion or exercise similar to the limitation contained herein. Except as set forth in the preceding sentence, for purposes of this Section 4.11, beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act and the applicable rules and regulations of the Commission, and the terms "beneficial ownership" and "beneficially own" have the meanings ascribed to such terms therein. In addition, for purposes hereof, "group" has the meaning set forth in Section 13(d) of the Exchange Act and the applicable rules and regulations of the Commission. For purposes of this Section 4.11, in determining the number of outstanding shares of Common Stock, a Purchaser may rely on the number of outstanding shares of Common Stock as stated in the most recent of the following: (i) the Company's most recent periodic or annual filing with the Commission, as the case may be, (ii) a more recent public announcement by the Company that is filed with the Commission, or (iii) a more recent notice by the Company or the Company's transfer agent to the Purchaser setting forth the number of shares of Common Stock then

outstanding. For any reason at any time, upon the written request of a Purchaser (which may be by e-mail), the Company shall, within one (1) Trading Day of such request, confirm in writing to such Purchaser (which may be by e-mail) the number of shares of Common Stock then outstanding. In any case, the number of outstanding shares of Common Stock shall be determined after giving effect to any actual conversion or exercise of securities of the Company, including Securities, by such Purchaser or its Attribution Parties since the date as of which such number of outstanding shares of Common Stock was last publicly reported or confirmed to the Purchaser. The "***Beneficial Ownership Limitation***" shall be set at 9.99% of the number of shares of the Common Stock outstanding or deemed to be outstanding as of the applicable measurement date, or 4.99% in the case of the Lead Investors. The Company shall be entitled to rely on representations made to it by any Purchaser in any Notice of Conversion regarding its Beneficial Ownership Limitation. Notwithstanding the foregoing, by written notice to the Company, any Purchaser, other than a Lead Investor, may reset the Beneficial Ownership Limitation percentage to a higher percentage, not to exceed 9.99%, which increase will not be effective until the sixty-first (61st) day after such written notice is delivered to the Company. Notwithstanding the foregoing, at any time following notice of a Fundamental Transaction (as defined in the Certificates of Designation), the Purchaser may waive and/or change the Beneficial Ownership Limitation effective immediately upon written notice to the Company and may reinstitute a Beneficial Ownership Limitation at any time thereafter effective immediately upon written notice to the Company. The provisions of this Section 4.11 shall be construed, corrected and implemented in a manner so as to effectuate the intended Beneficial Ownership Limitation herein contained and the shares of Common Stock underlying the Securities in excess of the Beneficial Ownership Limitation shall not be deemed to be beneficially owned by the Purchaser for any purpose including for purposes of Section 13(d) or Rule 16a-1(a)(1) of the Exchange Act.

4.12 Requisite Stockholder Approval. The Company shall take all action necessary under applicable law to promptly call, give notice of and hold a special meeting of stockholders (a "***Stockholder Meeting***"), including filing preliminary proxy solicitation materials therefor with the Commission within 75 days from the Closing, for the purpose of obtaining stockholder approval of the conversion of all issued and outstanding Preferred Shares into and exercise of all issued and outstanding Warrants for shares of Common Stock in accordance with the Nasdaq Stock Market Rules (the "***Requisite Stockholder Approval***"). The Company shall use its best efforts to solicit and obtain its stockholders' approval of such resolution and to cause the Board to recommend to the stockholders that they approve such resolution at each stockholder meeting contemplated by this Section 4.12. If the Requisite Stockholder Approval is not obtained at the Stockholder Meeting, the Company shall take all action necessary under applicable law to call, give notice of and cause an additional stockholder meeting to be held within 90 days from the prior meeting (the "***Extended Stockholder Approval Period***"). If the Requisite Stockholder Approval is not obtained within the Extended Stockholder Approval Period, then the Company shall take all action necessary under applicable law to call, give notice of and convene additional stockholder meetings every 90 days thereafter until the Requisite Stockholder Approval is obtained.

4.13 Conversion and Exercise Procedures.

(a) Conversion of Preferred Shares. The form of Notice of Conversion included in the Certificates of Designation sets forth the totality of the procedures required of the Purchasers in order to convert the Preferred Shares. Without limiting the preceding sentence, no ink-original Notice of Conversion shall be required, nor shall any medallion guarantee (or other type of guarantee or notarization) of any Notice of Conversion form be required in order for the registered holder thereof to convert the Preferred Shares. No additional legal opinion, other information or instructions shall be required of a Purchaser to convert its Preferred Shares. The Company shall honor conversions of the Preferred Shares and shall deliver Conversion Shares in accordance with the terms, conditions and time periods set forth in the Transaction Documents.

(b) Exercise of Warrants. The form of Exercise Notice included in the Warrants sets forth the totality of the procedures required of the Purchasers in order to exercise the Warrants. Without limiting the preceding sentence, no ink-original Exercise Notice shall be required, nor shall any medallion guarantee (or other type of guarantee or notarization) of any Exercise Notice form be required in order for the registered holder thereof to exercise the Warrants. No additional legal opinion, other information or

instructions shall be required of a Purchaser to exercise its Warrants. The Company shall honor exercises of the Warrants and shall deliver Warrant Shares in accordance with the terms, conditions and time periods set forth in the Transaction Documents.

4.14 Lock-Up Agreements. The Company shall not consent or agree to amend, alter, waive or otherwise modify the terms of any of the Lock-Up Agreements (as defined in the Merger Agreement) without the consent of the Placement Agent and the Lead Investors.

4.15 Indemnification of Purchasers. Subject to the provisions of this Section 4.15, the Company will indemnify and hold each Purchaser and its directors, officers, shareholders, members, partners, 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), each Person who controls such Purchaser (within the meaning of Section 15 of the Securities Act and Section 20 of the Exchange Act), and the directors, officers, shareholders, agents, members, partners, investment advisers 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 (each, a "***Purchaser Party***") harmless from any and all losses, liabilities, obligations, claims, contingencies, damages, costs and expenses, including all judgments, amounts paid in settlements, court costs and reasonable attorneys' fees and costs of investigation that any such Purchaser Party may suffer or incur as a result of or relating to (i) any breach of any of the representations, warranties, covenants or agreements made by the Company in this Agreement or in the other Transaction Documents or (ii) any Action instituted against a Purchaser in any capacity, or any Purchaser Party, by any stockholder of the Company who is not an Affiliate of such Purchaser seeking indemnification, with respect to any of the transactions contemplated by the Transaction Documents (unless such Action is based upon a breach of such Purchaser's representations, warranties or covenants under the Transaction Documents). Promptly after receipt by any such Person (the "***Indemnified Person***") of notice of any demand, claim or circumstances that would or may give rise to a claim or the commencement of any Proceeding or investigation in respect of which indemnity may be sought pursuant to this Section 4.15, such Indemnified Person shall promptly notify the Company in writing and the Company shall assume the defense thereof, including the employment of counsel reasonably satisfactory to such Indemnified Person, and shall assume the payment of all fees and expenses relating to such Proceeding or investigation; provided, however, that the failure of any Indemnified Person so to notify the Company shall not relieve the Company of its obligations hereunder except to the extent that the Company is actually and materially prejudiced by such failure to notify. In any such proceeding, any Indemnified Person shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such Indemnified Person unless: (i) the Company and the Indemnified Person shall have mutually agreed to the retention of such counsel; (ii) the Company shall have failed promptly to assume the defense of such proceeding and to employ counsel reasonably satisfactory to such Indemnified Person in such proceeding; or (iii) in the reasonable judgment of counsel to such Indemnified Person, representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. In the event of the circumstances described in the foregoing clause (iii), if the Indemnified Person notifies the Company in writing that such Indemnified Person elects to employ separate counsel at the expense of the Company, then the Company shall not have the right to assume the defense of such claim on behalf of such Indemnified Person. The Company shall not be liable for any settlement of any proceeding effected without its prior written consent, which consent shall not be unreasonably withheld, delayed or conditioned or to the extent fees or costs incurred pursuant to this Section 4.15 are attributable to the Indemnified Person's breach of any of the representations, warranties, covenants or agreements made by the Purchasers in this Agreement or the other Transaction Documents. Without the prior written consent of the Indemnified Person, which consent shall not be unreasonably withheld, delayed or conditioned, the Company shall not effect any settlement of any pending or threatened proceeding in respect of which any Indemnified Person is or could have been a party and indemnity could have been sought hereunder by such Indemnified Person, unless such settlement includes an unconditional release of such Indemnified Person from all liability arising out of such proceeding.

4.16 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.

4.17 Board Composition. At Closing, the Board of Directors shall consist of the following directors: June Almenoff, Mitchell Chan, Gilla Kaplan, Aaron Kantoff, as the designee of the holder of Series D Preferred Stock, Jonathan Goldman, Garry Neil, Magnus Persson, and Samantha Truex, and the person designated by the holder of Series E Preferred Stock, to the extent so designated prior to the Closing Date and to the extent not so designated, there shall be a vacancy on the Board.

4.18 Board Observer Rights.

(a) So long as Commodore, together with its Affiliates, own no less than five percent (5%) of the number of then outstanding shares of the Company's Common Stock, for the avoidance of doubt, assuming full conversion of Commodore's Preferred Shares and full exercise of Commodore's Warrants (without regard to any limitations on conversion or exercise hereof), it shall have the right, but not the obligation, to designate one (1) non-voting observer (the "**Commodore Observer**") to attend all meetings of the Board and any committee thereof as a non-voting observer; *provided*, that the Board will give such individual notice of such meetings at the same time and in the same manner as notice to the members of the Board, that the Commodore Observer shall be entitled to concurrent receipt of any materials provided to the Board or any committee thereof, *provided, however, that* the Commodore Observer shall agree to hold in confidence and trust all information so provided; *provided further, however, that* the Board reserves the right to withhold any materials and to exclude the Commodore Observer from any meeting or portion thereof if access to such materials or attendance at such meeting could constitute a conflict of interest, adversely affect the attorney-client privilege between the Company and its counsel or result in disclosure of trade secrets.

(b) So long as TCGX, together with its Affiliates, own no less than five percent (5%) of the number of then outstanding shares of the Company's Common Stock, for the avoidance of doubt, assuming full conversion of the TCGX's Preferred Shares and full exercise of the TCGX's Warrants (without regard to any limitations on conversion or exercise hereof), it shall have the right, but not the obligation, to designate one (1) non-voting observer (the "**TCGX Observer**") to attend all meetings of the Board and any committee thereof as a non-voting observer; *provided*, that the Board will give such individual notice of such meetings at the same time and in the same manner as notice to the members of the Board, that the TCGX Observer shall be entitled to concurrent receipt of any materials provided to the Board or any committee thereof, *provided, however, that* the TCGX Observer shall agree to hold in confidence and trust all information so provided; *provided further, however, that* the Board reserves the right to withhold any materials and to exclude the TCGX Observer from any meeting or portion thereof if access to such materials or attendance at such meeting could constitute a conflict of interest, adversely affect the attorney-client privilege between the Company and its counsel or result in disclosure of trade secrets.

4.19 Subsequent Financing Lock-Up. From the date hereof until the earlier of (i) the date on which Purchasers may sell any such Derivative Shares pursuant to an effective registration statement or Rule 144, or (ii) one (1) year from the date hereof, the Company shall not, directly or indirectly, offer, sale, or grant of any option to purchase, or disposition of (or announcement any offer, sale, grant of any option to purchase, or disposition of) any of its or its Subsidiaries' equity, debt or equity equivalent securities, including without limitation any indebtedness, preferred stock or other instrument or security that is, at any time during its life and under any circumstances, convertible into or exchangeable or exercisable for shares of Common Stock (any such offer, sale, grant, disposition or announcement being referred to as a "***Subsequent Financing***") without the prior written consent of the Lead Investors. For the avoidance of doubt, a Subsequent Financing shall not include (i) shares of Common Stock or Options or other equity securities issued to employees or directors of, or consultants or advisors to, the Company or any of its Subsidiaries for services pursuant to a plan, agreement or arrangement approved by the Company's Board and adopted in compliance with the rules of the Principal Trading Market, and/or (ii) Milestone Consideration (as defined in the Merger Agreement) potentially paid in shares of Common Stock.

ARTICLE 5

CONDITIONS PRECEDENT TO CLOSING

5.1 Conditions Precedent to the Obligations of the Purchasers to Purchase Securities. The obligation of each Purchaser to acquire Securities at the Closing is subject to the fulfillment to such Purchaser's satisfaction, on or prior to the Closing Date, of each of the following conditions, any of which may be waived by such Purchaser (as to itself only):

(a) Representations and Warranties. The representations and warranties of the Company contained herein shall be true and correct in all respects as of the date when made and as of the Closing Date, as though made on and as of such date, except for such representations and warranties that speak as of a specific date, which shall be true and correct in all respects as of such date.

(b) Performance. The Company shall have performed, satisfied and complied in all material respects with all covenants, agreements and conditions required by the Transaction Documents to be performed, satisfied or complied with by it at or prior to the Closing.

(c) No Injunction. No statute, rule, regulation, order, executive order, decree, judgment, writ, order, ruling or injunction shall have been enacted, entered, promulgated, issued or endorsed by any court of competent jurisdiction or any Governmental Authority that enjoins, prevents or prohibits the consummation of any of the transactions contemplated by the Transaction Documents.

(d) Consents. The Company shall have obtained in a timely fashion any and all consents, permits, approvals, registrations and waivers necessary for consummation of the purchase and sale of the Securities (except for the Requisite Stockholder Approval), all of which shall be and remain so long as necessary in full force and effect.

(e) Adverse Changes. Since the date of execution of this Agreement, no event or series of events shall have occurred that has had or would reasonably be expected to have a Material Adverse Effect.

(f) No Suspensions of Trading in Common Stock; No Stop Orders; Listing. The Common Stock shall not have been suspended by the Commission or the Principal Trading Market from trading on the Principal Trading Market nor shall suspension by the Commission or the Principal Trading Market have been threatened, either (i) in writing by the Commission or the Principal Trading Market or (ii) by falling below the minimum listing maintenance requirements of the Principal Trading Market. No stop order shall have been imposed by Nasdaq, the Commission or any other Governmental Authority or regulatory body with respect to public trading in the Common Stock. Nasdaq shall have raised no objection to the consummation of the transactions contemplated by the Transaction Documents or the Merger Agreement.

(g) Company Deliverables. The Company shall have delivered the Company Deliverables in accordance with Section 2.3(a).

(h) Compliance Certificate. The Company shall have delivered to each Purchaser a certificate, dated as of the Closing Date and signed by its Chief Executive Officer and its Chief Financial Officer, dated as of the Closing Date, certifying to the fulfillment of the conditions specified in Sections 5.1(a), (b), (f) and (i) in the form attached hereto as **Exhibit F**.

(i) Merger. The Merger shall have been consummated in accordance with the Merger Agreement (which shall not have been amended from the form attached hereto as **Exhibit G** in any manner that materially and adversely affects the Purchasers).

(j) Bylaw Amendment. The Company shall have amended its bylaws to permit the holders of Series C Preferred Stock, Series D Preferred Stock and Series E Preferred Stock to act by written consent in lieu of a meeting pursuant to the terms of the Certificates of Designations, as applicable.

(k) Termination. This Agreement shall not have been terminated as to such Purchaser in accordance with Section 6.18 herein.

5.2 Conditions Precedent to the Obligations of the Company to issue Securities. The Company's obligation to issue the Securities at the Closing to each Purchaser is subject to the fulfillment to the satisfaction of the Company on or prior to the Closing Date of the following conditions, any of which may be waived by the Company:

(a) Representations and Warranties. The representations and warranties made by each Purchaser in Section 3.2 hereof shall be true and correct in all material respects (except for those representations and warranties which are qualified as to materiality, in which case such representations and warranties shall be true and correct in all respects) as of the date when made, and as of the Closing Date as though made on and as of such date, except for representations and warranties that speak as of a specific date, which shall be true and correct in all material respects (except for those representations and warranties which are qualified as to materiality or Material Adverse Effect, which representations and warranties shall be true and correct in all respects) as of such date.

(b) Performance. Such Purchaser shall have performed, satisfied and complied in all material respects with all covenants, agreements and conditions required by the Transaction Documents to be performed, satisfied or complied with by such Purchaser at or prior to the Closing Date.

(c) No Injunction. No statute, rule, regulation, order, executive order, decree, judgment, writ, order, ruling or injunction shall have been enacted, entered, promulgated, issued or endorsed by any court of competent jurisdiction or any Governmental Authority that enjoins, prevents or prohibits the consummation of any of the transactions contemplated by the Transaction Documents.

(d) Purchasers Deliverables. Such Purchaser shall have delivered its Purchaser Deliverables in accordance with Section 2.3(b).

(e) Merger. The Merger shall have been consummated in accordance with the Merger Agreement.

(f) Termination. This Agreement shall not have been terminated as to such Purchaser in accordance with Section 6.18 herein.

ARTICLE 6

MISCELLANEOUS

6.1 Fees and Expenses. At the Closing, the Company shall pay the reasonable legal fees and expenses of each of Schulte, Roth & Zabel, LLP and Gunderson Dettmer Stough Villeneuve Franklin & Hachigian, LLP, counsels to the Lead Investors, incurred by such Lead Investors in connection with the transactions contemplated by the Transaction Documents, up to a maximum of $300,000, which amount may be withheld by the Lead Investors from their Subscription Amount, or else shall be paid directly by the Company at the Closing or paid by the Company upon termination of this Agreement so long as such termination did not occur as a result of a material breach by any such Lead Investors of any of its obligations hereunder (as the case may be). Except as set forth above or elsewhere in the Transaction Documents, the parties hereto shall be responsible for the payment of all expenses incurred by them in connection with the preparation and negotiation of the Transaction Documents and the consummation of the transactions contemplated hereby. The Company shall pay all Transfer Agent fees, stamp taxes and other taxes and duties levied in connection with the sale and issuance of the Securities to the Purchasers.

6.2 Entire Agreement. The Transaction Documents, together with the annexes, exhibits and schedules thereto, contain the entire understanding of the parties with respect to the subject matter hereof and thereof and supersede all prior agreements, understandings, discussions and representations, oral or written, with respect to such matters, which the parties acknowledge have been merged into such

documents, annexes, exhibits and schedules. Before or at the Closing, the Company and the Purchasers will execute and deliver to the other such further documents as may be reasonably requested in order to give practical effect to the intention of the parties under the Transaction Documents.

6.3 Notices. Any and all notices or other communications or deliveries required or permitted to be provided hereunder shall be in writing and shall be deemed given and effective on the earliest of (a) the date of transmission, if such notice or communication is delivered via electronic mail at the e-mail address specified in this Section 6.3 prior to 5:00 P.M., New York City time, on a Trading Day, (b) the next Trading Day after the date of transmission, if such notice or communication is delivered via electronic mail at the e- mail address or facsimile number specified in this Section 6.3 on a day that is not a Trading Day or later than 5:00 P.M., New York City time, on any Trading Day, (c) the Trading Day following the date of mailing, if sent by U.S. nationally recognized overnight courier service with next day delivery specified, or (d) upon actual receipt by the party to whom such notice is required to be given if delivered personally or if sent by U.S. certified or registered mail, return receipt requested; provided, in the case of clauses (a) and (b), that notice shall not be deemed given or effective if the sender receives an automatic system-generated response that such electronic mail was undeliverable. The address for such notices and communications shall be as follows:

If to the Company:	Avalo Therapeutics, Inc. 1500 Liberty Ridge Drive, Suite 321 Wayne, PA 19087 Attention: Christopher Sullivan, Chief Financial Officer E-mail: ***
With a copy to:	Wyrick Robbins Yates & Ponton LLP 4101 Lake Boone Trail Suite 300 Raleigh, North Carolina 27607 Attention: Andrew J. Gibbons E-mail: ***
If to a Purchaser:	To the address set forth under such Purchaser's name on its signature page hereto;

or such other address as may be designated in writing hereafter, in the same manner, by such Person.

6.4 Amendments; Waivers; No Additional Consideration. No provision of this Agreement may be waived, modified, supplemented or amended except in a written instrument signed, in the case of an amendment, by the Company and the Purchasers of at least a majority in interest of the Securities still held by Purchasers, which majority shall include each of the Lead Investors, provided that (i) no amendment to Section 4.4, Section 4.6, Section 4.10, Section 4.11, Section 4.12, Section 4.15, Section 4.16, this Section 6.4 or Section 6.18 may be made without the consent of each Purchaser, or, in the case of a waiver, by the party against whom enforcement of any such waiver is sought and (ii) any proposed amendment that would, by its terms, have a disproportionate and materially adverse effect on any Purchaser shall require the consent of such Purchaser(s). No waiver of any default with respect to any provision, condition or requirement of this Agreement shall be deemed to be a continuing waiver in the future or a waiver of any subsequent default or a waiver of any other provision, condition or requirement hereof, nor shall any delay or omission of either party to exercise any right hereunder in any manner impair the exercise of any such right. No consideration shall be offered or paid to any Purchaser to amend or consent to a waiver or modification of any provision of any Transaction Document unless the same

consideration is also offered to all Purchasers who then hold Securities. Notwithstanding anything to the contrary herein, without the express written consent of the Purchaser, this Agreement may not be amended, modified or waived to increase or decrease the number of Securities that such Purchaser is obligated to purchase hereunder or to increase or decrease the purchase price to be paid by such Purchaser for such Securities.

6.5 Construction. The headings herein are for convenience only, do not constitute a part of this Agreement and shall not be deemed to limit or affect any of the provisions hereof. The language used in this Agreement will be deemed to be the language chosen by the parties to express their mutual intent, and no rules of strict construction will be applied against any party. 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 party by virtue of the authorship of any provisions of this Agreement or any of the Transaction Documents. 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."

6.6 Successors and Assigns. The provisions of this Agreement shall inure to the benefit of and be binding upon the parties and their successors and permitted assigns. This Agreement, or any rights or obligations hereunder, may not be assigned by the Company without the prior written consent of each Purchaser. Any Purchaser may assign its rights hereunder in whole or in part to any Person to whom such Purchaser assigns or transfers any Securities in compliance with the Transaction Documents and applicable law, provided such transferee shall agree in writing to be bound, with respect to the transferred Securities, by the terms and conditions of this Agreement that apply to the Purchasers.

6.7 No Third-Party Beneficiaries. This Agreement is intended for the benefit of the parties hereto and their respective successors and permitted assigns and is not for the benefit of, nor may any provision hereof be enforced by, any other Person, except the Placement Agent is an intended third-party beneficiary of the representations and warranties in Article 3 and Article 4, and of this Section 6.7 and Section 6.19.

6.8 Governing Law. All questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be governed by and construed and enforced in accordance with the internal laws of the State of New York, without regard to the principles of conflicts of law thereof. Each party agrees that all Proceedings concerning the interpretations, enforcement and defense of the transactions contemplated by this Agreement and any other Transaction Documents (whether brought against a party hereto or its respective Affiliates, employees or agents) shall be commenced exclusively in the New York Courts. Each party hereto hereby irrevocably submits to the exclusive jurisdiction of the New York Courts for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein (including with respect to the enforcement of any of the Transaction Documents), and hereby irrevocably waives, and agrees not to assert in any Proceeding, any claim that it is not personally subject to the jurisdiction of any such New York Court, or that such Proceeding has been commenced in an improper or inconvenient forum. Each party hereto hereby irrevocably waives personal service of process and consents to process being served in any such Proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. **EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY**.

6.9 Survival. Subject to applicable statutes of limitations, the representations, warranties, agreements and covenants contained herein shall survive the Closing and the delivery of the Securities.

6.10 Execution. This Agreement may be executed in two or more counterparts, all of which when taken together 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, it being understood that both parties need not sign the same counterpart. In the event that any signature is delivered by facsimile transmission, or by e-mail delivery of a ".pdf" format data file, or by any electronic signature complying with the U.S. ESIGN Act of 2000 or the New York Electronic Signatures and Records Act, such signature shall create a legally valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or ".pdf" signature page were an original thereof.

6.11 Severability. If any provision of this Agreement is held to be invalid or unenforceable in any respect, the validity and enforceability of the remaining terms and provisions of this Agreement shall not in any way be affected or impaired thereby and the parties will attempt to agree upon a valid and enforceable provision that is a reasonable substitute therefor, and upon so agreeing, shall incorporate such substitute provision in this Agreement.

6.12 Rescission and Withdrawal Right. Notwithstanding anything to the contrary contained in (and without limiting any similar provisions of) the Transaction Documents, whenever any Purchaser exercises a right, election, demand or option under a Transaction Document and the Company does not timely perform its related obligations within the periods therein provided, then such Purchaser may rescind or withdraw, in its sole discretion from time to time upon written notice to the Company, any relevant notice, demand or election in whole or in part without prejudice to its future actions and rights.

6.13 Replacement of Securities. If any certificate or instrument evidencing any Securities or Derivative Shares is mutilated, lost, stolen or destroyed, the Company may issue or cause to be issued in exchange and substitution for and upon cancellation thereof, or in lieu of and substitution therefor, a new certificate or instrument, but only upon receipt of evidence reasonably satisfactory to the Company and the Transfer Agent of such loss, theft or destruction and the execution by the holder thereof of a customary lost certificate affidavit of that fact and an agreement to indemnify and hold harmless the Company and the Transfer Agent for any losses in connection therewith or, if required by the Transfer Agent, a bond in such form and amount as is required by the Transfer Agent. The applicants for a new certificate or instrument under such circumstances shall also pay any reasonable third-party costs associated with the issuance of such replacement Securities or Derivative Shares. If a replacement certificate or instrument evidencing any Securities or Derivative Shares is requested due to a mutilation thereof, the Company may require delivery of such mutilated certificate or instrument as a condition precedent to any issuance of a replacement.

6.14 Remedies. In addition to being entitled to exercise all rights provided herein or granted by law, including recovery of damages, each of the Purchasers and the Company will be entitled to specific performance under the Transaction Documents, without the requirement of posting a bond. The parties agree that monetary damages may not be adequate compensation for any loss incurred by reason of any breach of obligations described in the foregoing sentence and hereby agree to waive in any action for specific performance of any such obligation (other than in connection with any action for a temporary restraining order) the defense that a remedy at law would be adequate.

6.15 Payment Set Aside. To the extent that the Company makes a payment or payments to any Purchaser pursuant to any Transaction Document or a Purchaser enforces or exercises its rights thereunder, and such payment or payments or the proceeds of such enforcement or exercise or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside, recovered from, disgorged by or are required to be refunded, repaid or otherwise restored to the Company, a trustee, receiver or any other person under any law (including, without limitation, any bankruptcy law, state or federal law, common law or equitable cause of action), then to the extent of any such restoration the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such enforcement or setoff had not occurred.

6.16 Adjustments in Share Numbers and Prices. In the event of any stock split, subdivision, dividend or distribution payable in shares of Common Stock (or other securities or rights convertible into, or entitling the holder thereof to receive directly or indirectly shares of Common Stock), combination or other similar recapitalization or event occurring after the date hereof and prior to the Closing, each

reference in any Transaction Document to a number of shares or a price per share shall be deemed to be amended to appropriately account for such event.

6.17 Independent Nature of Purchasers' Obligations and Rights. The obligations of each Purchaser under any Transaction Document 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 any Transaction Document. The decision of each Purchaser to purchase Securities pursuant to the Transaction Documents has been made by such Purchaser independently of any other Purchaser and independently of any information, materials, statements or opinions as to the business, affairs, operations, assets, properties, liabilities, results of operations, condition (financial or otherwise) or prospects of the Company or any Subsidiary which may have been made or given by any other Purchaser or by any agent or employee of any other Purchaser, and no Purchaser or any of its agents or employees shall have any liability to any other Purchaser (or any other Person) relating to or arising from any such information, materials, statement or opinions. Nothing contained herein or in any Transaction Document, and no action taken by any Purchaser pursuant thereto, shall be deemed to constitute the Purchasers as 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, without limitation, a "group" within the meaning of Section 13(d)(3) of the Exchange Act) with respect to such obligations or the transactions contemplated by the Transaction Documents. Each Purchaser acknowledges that no other Purchaser has acted as agent for such Purchaser in connection with making its investment hereunder and that no Purchaser will be acting as agent of such Purchaser in connection with monitoring its investment in the Securities or enforcing its rights under the Transaction Documents. Each Purchaser shall be entitled to independently protect and enforce its rights, including without limitation the rights arising out of this Agreement or out of the other Transaction Documents, and it shall not be necessary for any other Purchaser to be joined as an additional party in any proceeding for such purpose. Each Purchaser has been represented by its own separate legal counsel in its review and negotiation of the Transaction Documents. For reasons of administrative convenience only, Purchasers and their respective counsels may choose to communicate with the Company through Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., counsel to the Placement Agent. Each Purchaser acknowledges that Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C. has rendered legal advice to the Placement Agent and not to such Purchaser in connection with the transactions contemplated hereby, and that each such Purchaser has relied for such matters on the advice of its own respective counsel. The Company has elected to provide all Purchasers with the same terms and Transaction Documents for the convenience of the Company and not because it was required or requested to do so by any Purchaser. 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.

6.18 Termination. This Agreement may be terminated and the sale and purchase of the Securities abandoned at any time prior to the Closing (i) automatically if the Closing has not been consummated on or prior to 5:00 P.M., New York City time, on the Outside Date, (ii) by a Purchaser (with respect to itself) if any of the conditions set forth in Section 5.1 shall have become incapable of fulfillment, and shall not have been waived by such Purchaser, or (iii) automatically if the Merger Agreement is terminated in accordance with its terms or amended from the form attached hereto as Exhibit G in any manner that materially and adversely affects the Purchasers; *provided*, *however*, that the right to terminate this Agreement under clause (ii) shall not be available to any Person whose failure to comply with its obligations under this Agreement has been the cause of or resulted in the failure of the Closing to occur on or before such time. Nothing in this Section 6.18 shall be deemed to release any party from any liability for any breach by such party of the terms and provisions of this Agreement or the other Transaction Documents or to impair the right of any party to compel specific performance by any other party of its obligations under this Agreement or the other Transaction Documents. In the event of a termination pursuant to this Section 6.18, the Company shall promptly notify all non-terminating Purchasers. Upon a termination in accordance with this Section 6.18, the Company and the terminating Purchaser(s) shall not have any further obligation or liability (including arising from such termination) to the other, and no Purchaser will have any liability to any other Purchaser under the Transaction Documents as a result therefrom.

6.19 Exculpation of the Placement Agent. Each party hereto agrees for the express benefit of the Placement Agent, its Affiliates and their representatives that:

(a) The Placement Agent is acting as placement agent for the Company solely in connection with the sale of the Securities and is not acting in any other capacity and is not and shall not be construed as a fiduciary for any Purchaser, or any other person or entity in connection with the sale of Securities.

(b) Neither the Placement Agent nor any of its Affiliates or any of their respective representatives (i) shall be liable for any improper payment made in accordance with the information provided by the Company; (ii) has made or will make any representation or warranty, express or implied, of any kind or character, and has not provided any recommendation in connection with the purchase or sale of the Securities; (iii) has any responsibilities as to the validity, accuracy, completeness, value or genuineness, as of any date, of any information, certificates or documentation delivered by or on behalf of the Company pursuant to this Agreement, the other Transaction Documents or the Merger Agreement, or in connection with any of the transactions contemplated by such agreements; (iv) shall be liable or have any obligation (including, without limitation, for or with respect to any losses, claims, damages, obligations, penalties, judgments, awards, liabilities, costs, expenses or disbursements incurred by any Purchaser, the Company or any other Person or entity), whether in contract, tort or otherwise to any Purchaser or to any person claiming through such Purchaser, (A) for any action taken, suffered or omitted by it in good faith and reasonably believed to be authorized or within the discretion or rights or powers conferred upon it by this Agreement, any other Transaction Document or the Merger Agreement, (B) for anything which it may do or refrain from doing in connection with this Agreement, any other Transaction Document or the Merger Agreement, or (C) for anything otherwise in connection with the purchase and sale of the Securities or the issuance of the Derivative Shares, except in each case for such party's own gross negligence or willful misconduct.

6.20 Arm's Length Transaction. The Company acknowledges and agrees that (i) the transactions described in this Agreement are an arm's-length commercial transaction between the parties, (ii) the Purchasers have not assumed nor will they assume an advisory or fiduciary responsibility in the Company's favor with respect to any of the transactions contemplated by this Agreement or the process leading thereto, and the Purchasers have no obligation to the Company with respect to the transactions contemplated by this Agreement except those obligations expressly set forth in this Agreement or the other Transaction Documents to which they are a party, and (iii) the Company's decision to enter into the Transaction Documents and the Merger Agreement has been based solely on the independent evaluation by the Company and its representatives. The Company further acknowledges and agrees that that each Purchaser is acting solely in the capacity of an arm's-length purchaser with respect to this Agreement and the other Transaction Documents and the transactions contemplated hereby and thereby, and that the obligations of each Purchaser under this Agreement and the other Transaction Documents are several and not joint.

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IN WITNESS WHEREOF, the parties hereto have caused this Securities Purchase Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

AVALO THERAPEUTICS, INC.

By: /s/ Garry A. Neil
Name: Garry A. Neil
Title: Chief Executive Officer

IN WITNESS WHEREOF, the parties hereto have caused this Securities Purchase Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

PURCHASER:

[●]

By:
Name:
Title:

Address:

With a copy to (which shall not constitute notice):

ANNEX A

SCHEDULE OF PURCHASERS

EXHIBIT A-1

SERIES C CERTIFICATE OF DESIGNATION

EXHIBIT A-2

SERIES D CERTIFICATE OF DESIGNATION

EXHIBIT A-3

SERIES E CERTIFICATE OF DESIGNATION

EXHIBIT B

FORM OF REGISTRATION RIGHTS AGREEMENT

EXHIBIT C

FORM OF WARRANT

EXHIBIT D

FORM OF IRREVOCABLE TRANSFER AGENT INSTRUCTIONS

Annex I

FORM OF NOTICE OF EFFECTIVENESS OF REGISTRATION STATEMENT

EXHIBIT E

FORM OF SECRETARY'S CERTIFICATE

EXHIBIT A

Resolutions

EXHIBIT B

Certificate of Incorporation

EXHIBIT C

Bylaws

EXHIBIT F

Form of Officer's Certificate

EXHIBIT G

Merger Agreement

Exhibit 10.2

REGISTRATION RIGHTS AGREEMENT

This Registration Rights Agreement (this "*Agreement*") is dated as of March [__], 2024, by and among Avalo Therapeutics, Inc., a Delaware corporation (the "*Company*"), and the several purchasers signatory hereto (each, including its successors and assigns, a " *Purchaser*" and collectively, the "*Purchasers*").

This Agreement is made pursuant to the Securities Purchase Agreement, dated as of the date hereof, between the Company and each Purchaser (the "*Purchase Agreement*").

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants contained in this Agreement, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Company and each of the Purchasers agree as follows:

1. Definitions. Capitalized terms used and not otherwise defined herein that are defined in the Purchase Agreement shall have the meanings given such terms in the Purchase Agreement. As used in this Agreement, the following terms shall have the following meanings:

"*Additional Filing Date*" means the date on which the New Registration Statement or the Remainder Registration Statement is filed with the SEC.

"*Additional Filing Deadline*" means, for any Registrable Securities that are required to be included in any New Registration Statement or Remainder Registration Statement, the date sixty (60) days after the date substantially all of the Registrable Securities registered under the immediately preceding Registration Statement are sold.

"*Advice*" has the meaning set forth in Section 6(d).

"*Affiliate*" means any Person that, directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with a Person, as such terms are used in and construed under Rule 405 of the Securities Act of 1933, as amended.

"*Agreement*" has the meaning set forth in the Preamble.

"*Allowed Suspension*" has the meaning set forth in Section 6(d).

"*Business Day*" means any day except any Saturday, any Sunday, any day which is a federal legal holiday in the United States or any day on which banking institutions in the State of New York are authorized or required by law or other governmental action to close.

"*Common Stock*" means the Company's common stock, par value $0.001 per share, and stock of any other class of securities into which such securities may hereafter be reclassified or changed.

"*Company*" has the meaning set forth in the Preamble.

"*Effective Date*" means the date that a Registration Statement filed pursuant to Section 2(a) is first declared effective by the Commission.

"*Effectiveness Deadline*" means, with respect to the Initial Registration Statement, the New Registration Statement or the Remainder Registration Statements, the thirtieth (30th) calendar day following the Filing Deadline (or, in the event the Commission reviews and has written comments to the Initial Registration Statement, the New Registration Statement or the Remainder Registration Statements, the sixtieth (60th) calendar day following the Filing Deadline or Additional Filing Deadline, as applicable; provided, however, that if the Company is notified by the Commission that the Initial Registration Statement, the New Registration Statement or the Remainder Registration Statements will not be reviewed or is no longer subject to further review and comments, the Effectiveness Deadline as to such Registration Statement shall be the third (3rd) Trading Day following the date on which the

Company is so notified if such date precedes the dates otherwise required above; provided, further, that if the Effectiveness Deadline falls on a Saturday, Sunday or other day that the Commission is closed for business, the Effectiveness Deadline shall be extended to the next Business Day on which the Commission is open for business.

"*Effectiveness Period*" has the meaning set forth in Section 2(b).

"*Exchange Act*" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"*Filing Deadline*" means, with respect to the Initial Registration Statement required to be filed pursuant to Section 2(a), the seventy-fifth (75th) calendar day following the Closing Date, provided, however, that if the Filing Deadline falls on a Saturday, Sunday or other day that the Commission is closed for business, the Filing Deadline shall be extended to the next Business Day on which the Commission is open for business.

"*FINRA*" has the meaning set forth in Section 3(i).

"*Holder*" or "*Holders*" means the holder or holders, as the case may be, from time to time of Registrable Securities.

"*Indemnified Party*" has the meaning set forth in Section 5(c).

"*Indemnifying Party*" has the meaning set forth in Section 5(c).

"*Initial Registration Statement*" has the meaning set forth in Section 2(a).

"*Lead Investor*" means each of Commodore Capital Master LP and TCG Crossover Fund II, L.P.

"*Losses*" has the meaning set forth in Section 5(a).

"*New Registration Statement*" has the meaning set forth in Section 2(a).

"*Person*" means an individual or a 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.

"*Principal Market*" means the Trading Market on which the Common Stock are primarily listed on and quoted for trading, which, as of the Closing Date, shall be the Nasdaq Capital Markets.

"*Proceeding*" means an action, claim, suit, investigation or proceeding (including, without limitation, an investigation or partial proceeding, such as a deposition), whether commenced or threatened.

"*Prospectus*" means the prospectus included in a Registration Statement (including, without limitation, a prospectus that includes any information previously omitted from a prospectus filed as part of an effective registration statement in reliance upon Rule 430B promulgated under the Securities Act), as amended or supplemented by any prospectus supplement, with respect to the terms of the offering of any portion of the Registrable Securities covered by a Registration Statement, and all other amendments and supplements to the Prospectus, including post-effective amendments, and all material incorporated by reference or deemed to be incorporated by reference in such Prospectus.

"*Purchase Agreement*" has the meaning set forth in the Recitals.

"*Purchaser*" or "*Purchasers*" has the meaning set forth in the Preamble.

"*Registrable Securities*" means all of (i) the Shares (ii) the Series C Preferred Stock issued pursuant to the Purchase Agreement, (iii) the Series C Preferred Stock issued pursuant to the Merger Agreement (iv) the Warrants, (v) the Series C Preferred Stock which may be issued upon exercise of the Warrants and (vi) any securities issued or issuable upon any stock split, dividend or other distribution, recapitalization or similar event with respect to, or in exchange for or in replacement of, the foregoing, provided that, with respect to a particular Holder, such Holder's Shares shall cease to be Registrable Securities upon the sale pursuant to a Registration Statement or Rule 144 under the Securities Act (in which case, only such security sold by the Holder shall cease to be a Registrable Security).

"*Registration Statements*" means any one or more registration statements of the Company filed under the Securities Act that cover the resale of any of the Registrable Securities pursuant to the provisions of this Agreement (including without limitation the Initial Registration Statement, any New Registration Statement and any Remainder Registration Statements), amendments and supplements to such Registration Statements, including post-effective amendments, all exhibits and all material incorporated by reference or deemed to be incorporated by reference in such Registration Statements.

"*Remainder Registration Statement*" has the meaning set forth in Section 2(a).

"*Rule 144*" means Rule 144 promulgated by the Commission pursuant to the Securities 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 such Rule.

"*Rule 172*" means Rule 172 promulgated by the Commission pursuant to the Securities 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 such Rule.

"*Rule 415*" means Rule 415 promulgated by the Commission pursuant to the Securities 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 such Rule.

"*Rule 424*" means Rule 424 promulgated by the Commission pursuant to the Securities 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 such Rule.

"*Rule 461*" means Rule 461 promulgated by the Commission pursuant to the Securities 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 such Rule.

"*SEC Guidance*" means (i) any publicly-available written or oral guidance, comments, requirements or requests of the Commission staff; provided, that any such oral guidance, comments, requirements or requests are reduced to writing by the Commission and (ii) the Securities Act.

"*Securities Act*" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"*Selling Shareholder Questionnaire*" means a questionnaire in the form attached as Annex B hereto, or such other form of questionnaire or information provided to the Company in connection with the preparation of a Registration Statement hereunder.

"*Series C Preferred Stock*" means Series C Non-Voting Convertible Preferred Stock, par value $0.001 per share, of the Company.

"*Shares*" means the (i) shares of Common Stock which may be issued upon conversion of the Series C Preferred Stock held by Purchasers and (ii) the shares of Common Stock which may be issued upon exercise of the Warrants.

"*Trading Day*" means a day on which the Principal Market is open for business.

"*Trading Market*" means any of the following markets or exchanges on which the Common Stock is listed or quoted for trading on the date in question: the NYSE American, the Nasdaq Capital Market, the Nasdaq Global Market, the Nasdaq Global Select Market, or the New York Stock Exchange (or any successors to any of the foregoing).

"*Warrants*" means the warrants, dated on or around the date hereof, issued by the Company to the applicable Purchasers to acquire the number of shares of Common Stock, with an exercise price of $5.796933 per share or Series C Preferred Stock, in accordance with the terms and provisions of the Purchase Agreement.

2. Registration.

(a) On or prior to the Filing Deadline, the Company shall prepare and file with the Commission a Registration Statement covering the resale of all of the Registrable Securities not then registered on an existing and effective Registration Statement for an offering to be made on a continuous basis pursuant to Rule 415 or, if Rule 415 is not available for offers or sales of the Registrable Securities, by such other means of distribution of Registrable Securities as the Holders may reasonably specify (the "*Initial Registration Statement*"). The Initial Registration Statement shall be on Form S-3 (except if the Company is then ineligible to register for resale the Registrable Securities on Form S-3, in which case such registration shall be on Form S-1 or such other form available to register the Registrable Securities for resale by the Holders) subject to the provisions of Section 2(c) and shall contain (except if otherwise required pursuant to written comments received from the Commission upon a review of such Registration Statement) the "Plan of Distribution" section substantially in the form attached hereto as Annex A (which may be modified to respond to comments, if any, provided by the Commission). Notwithstanding the registration obligations set forth in this Section 2, in the event the Commission informs the Company that all of the Registrable Securities cannot, as a result of the application of Rule 415, be registered for resale as a secondary offering on a single registration statement, the Company agrees to promptly (i) inform each of the Holders thereof and use its commercially reasonable efforts to file amendments to the Initial Registration Statement as required by the Commission and/or (ii) withdraw the Initial Registration Statement and prepare and, as soon as practicable, but in no event later than the Additional Filing Deadline, file a new registration statement (a "*New Registration Statement*"), in either case covering the maximum number of Registrable Securities permitted to be registered by the Commission, on Form S-3 or, if the Company is ineligible to register the Registrable Securities on Form S-3, Form S-1 or such other form available to register the Registrable Securities for resale by the Holders; *provided*, *however*, that prior to filing such amendment or New Registration Statement, the Company shall be obligated to use its commercially reasonable efforts to advocate with the Commission for the registration of all of the Registrable Securities in accordance with the SEC Guidance, including without limitation, the Securities Act Rules Compliance and Disclosure Interpretations Question 612.09. Notwithstanding any other provision of this Agreement, if the Commission or any SEC Guidance sets forth a limitation of the number of Registrable Securities permitted to be registered on a particular Registration Statement as a secondary offering (and notwithstanding that the Company used diligent efforts to advocate with the Commission for the registration of all or a greater number of Registrable Securities), unless otherwise directed in writing by a Holder as to its Registrable Securities, the number of Registrable Securities to be registered on such Registration Statement will first be reduced by Registrable Securities not acquired pursuant to the Purchase Agreement (whether pursuant to registration rights or otherwise), and second by Registrable Securities represented by Shares applied to the Holders on a pro rata basis based on the total number of Shares held by such Holders, subject to a determination by the Commission that certain Holders must be reduced first based on the number of Shares held by such Holders. In the event of a cutback hereunder, the Company shall give the Holder at least one (1) Trading Day prior notice along with the calculations as to such Holder's allotment. In the event the Company amends the Initial Registration Statement or files a New Registration Statement, as the case may be, in accordance with the foregoing, the Company will use prepare and, as soon as practicable, but in no event later than the Additional Filing Deadline, file with the Commission, one or more registration statements on Form S-3 or such other form available to register for resale those Registrable Securities that were not registered for resale on the Initial Registration Statement, as amended, or the New Registration Statement (the "*Remainder Registration Statements*"). No Holder shall be named as an "underwriter" in any Registration Statement without such Holder's prior written consent.

(b) The Company shall use its best efforts to cause each Registration Statement to be declared effective by the Commission as soon as practicable and, with respect to the Initial Registration Statement, the New Registration Statement or the Remainder Registration, as applicable, no later than the Effectiveness Deadline (including filing with the Commission a request for acceleration of effectiveness in accordance with Rule 461 promulgated under the Securities Act), and shall use its best efforts to keep each Registration Statement continuously effective under the Securities Act until such time as all of the Registrable Securities covered by such Registration Statement have been publicly sold by the Holders (the "*Effectiveness Period*"). The Company shall request effectiveness of a Registration Statement as of 4:00 P.M. New York City time on a Trading Day. The Company shall promptly notify the Holders via e-mail of the effectiveness of a Registration Statement or any post-effective amendment thereto on the same Trading Day that the Company telephonically confirms effectiveness with the Commission, which date of confirmation shall initially be the date requested for effectiveness of such Registration Statement. The Company shall, by 9:30 A.M. New York City time on the first Trading Day after the Effective Date, file a final Prospectus with the Commission, as required by Rule 424(b) and shall provide the Purchasers with copies of the final Prospectus to be used in connection with the sale or other disposition of the securities covered thereby. The Company shall promptly inform each Holder in writing if, at any time during the Effectiveness Period, the Company does not satisfy the conditions specified in Rule 172 and, as a result thereof, such Holder is required to deliver a Prospectus in connection with any disposition of Registrable Securities.

(c) Each Holder of Registrable Securities to be sold agrees to furnish to the Company a completed Selling Shareholder Questionnaire not more than thirty (30) calendar days following the date of this Agreement. At least ten (10) Trading Days prior to the first anticipated filing date of a Registration Statement for any registration under this Agreement, the Company will notify each Holder of the information the Company reasonably requires from that Holder for inclusion in the Registration Statement other than the information contained in the Selling Shareholder Questionnaire, if any, which shall be completed and delivered to the Company promptly upon request and, in any event, within three (3) Trading Days prior to the applicable anticipated filing date. Each Holder further agrees that it shall not be entitled to be named as a selling shareholder in the Registration Statement or use the Prospectus for offers and resales of Registrable Securities at any time, unless such Holder has provided such information to the Company and responded to any reasonable requests for further information as described in the previous sentence. Each Holder acknowledges and agrees that the information in such Holder's Selling Shareholder Questionnaire or request for further information as described in this Section 2(c) will be used by the Company in the preparation of the Registration Statement and hereby consents to the inclusion of such information in the Registration Statement (subject to such Holder's right to timely review the Registration Statement as set forth herein).

(d) In the event that 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 Form S-1 or another appropriate form reasonably acceptable to the Holders and (ii) undertake to register the Registrable Securities on Form S-3 promptly after such form is available, *provided* that the Company shall 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 Commission.

(e) (i) If a Registration Statement covering the Registrable Securities is not filed with the Commission on or prior to the Filing Deadline (a "*Registration Failure*"), then, in addition to any other rights the Purchasers may have hereunder or under applicable law, the Company will make pro rata payments to each Purchaser of then outstanding Registrable Securities, as liquidated damages and not as a penalty (the "*Registration Liquidated Damages*"), in an amount equal to one percent (1.0%) of the aggregate amount invested by such Purchaser for the Registrable Securities then held by such Purchaser for the initial day of a Registration Failure and for each thirty (30) day period (or pro rata portion thereof with respect to a final period, if any) thereafter until the Registration Failure is cured. The Registration Liquidated Damages shall be paid (A) within five (5) Business Days of the date of such Registration Failure for the initial Registration Failure and (B) monthly, within two (2) Business Days of the end of each subsequent thirty (30)-day period (or portion thereof with respect to a final period, if any) thereafter until the Registration Failure is cured. Such payments shall be made in cash to each Purchaser then holding Registrable Securities. Interest shall accrue at the rate of one percent (1.0%) per month on any

Registration Liquidated Damages payments that have not been paid by the applicable payment date until such amount is paid in full.

(ii) If (A) a Registration Statement covering the Registrable Securities is not declared effective by the Commission by the Effectiveness Deadline, (B) after a Registration Statement has been declared effective by the Commission or otherwise becomes effective, sales cannot be made pursuant to such Registration Statement for any reason (including, without limitation, by reason of a stop order or the Company's failure to update such Registration Statement), or (C) after the Filing Deadline, and only in the event a Registration Statement is not effective or available to sell all Registrable Securities, the Company fails to file with the Commission any required reports under Section 13 or 15(d) of the Exchange Act such that it is not in compliance with Rule 144(c)(1), as a result of which the Holders who are not affiliates are unable to sell Registrable Securities without restriction under Rule 144 (each of (A), (B) and (C), a "*Maintenance Failure*"), then the Company will make pro rata payments to each Purchaser then holding Registrable Securities, as liquidated damages and not as a penalty (the "*Effectiveness Liquidated Damages*" and together with the Registration Liquidated Damages, the "*Liquidated Damages*"), in an amount equal to one percent (1.0%) of the aggregate amount invested by such Purchaser for the Registrable Securities then held by such Purchaser for the initial day of a Maintenance Failure and for each thirty (30)-day period (pro rata for any portion thereof) thereafter until the Maintenance Failure is cured. The Effectiveness Liquidated Damages shall be paid (A) within five (5) Business Days of the end of the date of the initial Maintenance Failure and (B) monthly, within two (2) Business Days of the end of each subsequent thirty (30)-day period (pro rata for any portion thereof) thereafter until the Maintenance Failure is cured. Such payments shall be made in cash to each Purchaser then holding Registrable Securities. Interest shall accrue at the rate of one percent (1.0%) per month on any Effectiveness Liquidated Damages payments that have not been paid by the applicable payment date until such amount is paid in full.

(iii) Notwithstanding the foregoing, (A) no Liquidated Damages shall be payable with respect to any period after the expiration of the Effectiveness Period (it being understood that this sentence shall not relieve the Company of any Liquidated Damages accruing prior to the expiration of the Effectiveness Period) and (B) no Liquidated Damages shall accrue or be payable with respect to any Allowed Suspension or a suspension as described in the last sentence of Section 3(h). Nothing in this Agreement shall preclude any Holder from pursuing or obtaining any available remedies at law, specific performance or other equitable relief with respect to this Section 2(e) in accordance with applicable law.

3. Registration Procedures.

In connection with the Company's registration obligations hereunder, the Company shall:

(a) Not less than five (5) Trading Days prior to the filing of each Registration Statement and not less than two (2) Trading Days prior to the filing of any related Prospectus or any amendment or supplement thereto (except for Annual Reports on Form 10-K, and Quarterly Reports on Form 10-Q and Current Reports on Form 8-K and any similar or successor reports), (i) furnish to each Holder copies of such Registration Statement, Prospectus or amendment or supplement thereto, as proposed to be filed, which documents will be subject to the review of such Holder (it being acknowledged and agreed that if a Holder does not object to or comment on the aforementioned documents within such five (5) Trading Day or two (2) Trading Day period, as the case may be, then the Holder shall be deemed to have consented to and approved the use of such documents) and (ii) to the extent that a Holder is identified in the Registration Statement as an "underwriter" (as defined in the Securities Act), use commercially reasonable efforts to cause its officers and directors, counsel and independent registered public accountants to respond to such inquiries as shall be necessary, in the reasonable opinion of respective counsel to each Holder, to conduct a reasonable investigation within the meaning of the Securities Act. The Company shall not file any Registration Statement or amendment or supplement thereto in a form to which a Holder reasonably objects in good faith, provided that, such Holder notifies the Company of such objection in writing within the five (5) Trading Day or two (2) Trading Day periods described above, as applicable.

(b) (i) Prepare and file with the Commission such amendments (including post-effective amendments) and supplements, to each Registration Statement and the Prospectus used in connection therewith as may be necessary to keep such Registration Statement continuously effective as to the applicable Registrable Securities for its Effectiveness Period and prepare and promptly file with the Commission such additional Registration Statements in order to register for resale under the Securities Act all of the Registrable Securities; (ii) cause the related Prospectus to be amended or supplemented by any required Prospectus supplement (subject to the terms of this Agreement), and, as so supplemented or amended, to be filed pursuant to Rule 424; (iii) respond as promptly as reasonably practicable to any comments received from the Commission with respect to each Registration Statement or any amendment thereto and, as promptly as reasonably possible, provide the Holders true and complete copies of all correspondence from and to the Commission relating to such Registration Statement that pertains to the Holders as "Selling Stockholders" but not any comments that would result in the disclosure to the Holders of material and non-public information concerning the Company (unless such Holder consents to receive such material and non-public information); and (iv) comply with the provisions of the Securities Act and the Exchange Act with respect to the disposition of all Registrable Securities covered by a Registration Statement until such time as all of such Registrable Securities shall have been disposed of (subject to the terms of this Agreement) in accordance with the intended methods of disposition by the Holders thereof as set forth in such Registration Statement as so amended or in such Prospectus as so supplemented; *provided, however*, that each Purchaser shall be responsible for the delivery of the Prospectus to the Persons to whom such Purchaser sells any of the Registrable Securities (including in accordance with Rule 172 under the Securities Act) to the extent required under the Securities Act, and each Purchaser agrees to dispose of Registrable Securities in compliance with the "Plan of Distribution" described in the Registration Statement and otherwise in compliance with applicable federal and state securities laws. In the case of amendments and supplements to a Registration Statement which are required to be filed pursuant to this Agreement (including pursuant to this Section 3(b)) by reason of the Company filing a report on Form 10-K, Form 10-Q or Form 8-K or any analogous report under the Exchange Act, the Company shall have incorporated such report by reference into such Registration Statement, if applicable, or shall file such amendments or supplements with the Commission on the same day on which the Exchange Act report which created the requirement for the Company to amend or supplement such Registration Statement was filed.

(c) Notify the Holders of Registrable Securities to be sold (which notice shall, if given pursuant to clauses (iii) through (vi) hereof, be accompanied by an instruction to suspend the use of the Prospectus until the requisite changes have been made, provided that the Company shall omit any material, non-public information relating to the Company and/or any of its subsidiaries) as promptly as reasonably practicable (and, in the case of (i)(A) below, not less than one (1) Trading Day prior to such filing) and (if requested by any such Person) confirm such notice in writing no later than one (1) Trading Day following the day: (i)(A) when a Prospectus or any Prospectus supplement or post-effective amendment to a Registration Statement is proposed to be filed; (B) when the Commission notifies the Company whether there will be a "review" of such Registration Statement and whenever the Commission comments in writing on any Registration Statement (in which case the Company shall provide to each of the Holders true and complete copies of all comments that pertain to the Holders as a "Selling Stockholder" or to the "Plan of Distribution" and all written responses thereto, but not information that the Company believes would constitute material and non-public information); and (C) with respect to each Registration Statement or any post-effective amendment, when the same has become effective; (ii) of any request by the Commission or any other Federal or state governmental authority for amendments or supplements to a Registration Statement or Prospectus or for additional information that pertains to the Holders as "Selling Stockholders" or the "Plan of Distribution"; (iii) of the issuance by the Commission or any other federal or state governmental authority of any stop order suspending the effectiveness of a Registration Statement covering any or all of the Registrable Securities or the initiation of any Proceedings for that purpose; (iv) of the receipt by the Company of any notification with respect to the suspension of the qualification or exemption from qualification of any of the Registrable Securities for sale in any jurisdiction, or the initiation or threatening of any Proceeding for such purpose; (v) of the occurrence of any event or passage of time that makes the financial statements included or incorporated by reference in a Registration Statement ineligible for inclusion or incorporation by reference therein or any statement made in such Registration Statement or Prospectus or any document incorporated or deemed to be incorporated therein by reference untrue in any material respect or that requires any revisions to such Registration Statement, Prospectus or other documents so that, in the case of such

Registration Statement or the Prospectus, as the case may be, it will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein (in the case of any Prospectus, form of prospectus or supplement thereto, in light of the circumstances under which they were made), not misleading; and (vi) of the occurrence or existence of any pending corporate development with respect to the Company that, upon the advice of legal counsel, the Company's board of directors reasonably believes may be material and would require additional disclosure by the Company in the Registration Statement of such material information that the Company has a bona fide business purpose for keeping confidential and the non-disclosure of which in the Registration Statement would be expected, in the reasonable determination of the Company's board of directors, upon the advice of legal counsel, to cause the Registration Statement to fail to comply with applicable disclosure requirements, *provided* that, the Company shall not provide any Holder with material non-public information.

(d) Use commercially reasonable efforts to avoid the issuance of, or, if issued, obtain the withdrawal of (i) any order stopping or suspending the effectiveness of a Registration Statement, or (ii) any suspension of the qualification (or exemption from qualification) of any of the Registrable Securities for sale in any jurisdiction, as soon as practicable.

(e) If requested by a Holder, furnish to such Holder, without charge, at least one conformed copy of each Registration Statement and each amendment thereto, including financial statements and schedules, all documents incorporated or deemed to be incorporated therein by reference to the extent requested by such Person, and all exhibits to the extent requested by such Person (including those previously furnished or incorporated by reference) promptly after the filing of such documents with the Commission; *provided*, that the Company shall have no obligation to provide any document pursuant to this clause that is available on the Commission's EDGAR system.

(f) Prior to any resale of Registrable Securities by a Holder, use its commercially reasonable efforts to register or qualify or cooperate with such Holder in connection with the registration or qualification (or exemption from the registration or qualification) of the resale of such Registrable Securities (or, in the case of qualification, of such Registrable Securities for the resale) by such Holder under the securities or blue sky laws of such jurisdictions within the United States as such Holder reasonably requests in writing, to keep each registration or qualification (or exemption therefrom) effective during the Effectiveness Period and to do any and all other acts or things reasonably necessary to enable the disposition in such jurisdictions of the Registrable Securities covered by each Registration Statement; *provided*, that the Company shall not be required to qualify generally to do business in any jurisdiction where it is not then so qualified, subject the Company to any material tax in any such jurisdiction where it is not then so subject or file a general consent to service of process in any such jurisdiction.

(g) Cooperate with such Holder to facilitate the timely preparation and delivery of certificates or book entry statements, as applicable, representing Registrable Securities to be delivered to a transferee pursuant to the Registration Statement, which certificates or statements shall be free, to the extent permitted by the Purchase Agreement and under law, of all restrictive legends, and to enable such Registrable Securities to be in such denominations and registered in such names as any such Holders may reasonably request.

(h) Following the occurrence of any event contemplated by Section 3(c), as promptly as reasonably practicable (taking into account the Company's good faith assessment of any adverse consequences to the Company and its shareholders of the premature disclosure of such event), prepare a supplement or amendment, including a post-effective amendment, to the affected Registration Statements or a supplement to the related Prospectus or any document incorporated or deemed to be incorporated therein by reference, and file any other required document so that, as thereafter delivered, no Registration Statement nor any Prospectus will contain 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 any Prospectus, form of prospectus or supplement thereto, in light of the circumstances under which they were made), not misleading. If the Company notifies the Holders in accordance with clauses (iii) through (vi) of Section 3(c) above to suspend the use of any Prospectus until the requisite changes to such Prospectus have been made, then the Holders shall suspend use of such Prospectus. The Company will

use its best efforts to ensure that the use of the Prospectus may be resumed as promptly as is practicable. The Company shall be entitled to exercise its right under this Section 3(h) to suspend the availability of a Registration Statement and Prospectus in accordance with the time periods set forth in Section 6(d), which may be extended only in accordance with Section 6(f). For the avoidance of doubt, the Company's rights under this Section 3(h) shall include suspensions of availability arising from the filing of a post-effective amendment to a Registration Statement to update the Prospectus therein to include the information contained in the Company's Annual Report on Form 10-K, which suspensions may extend for the amount of time reasonably required to respond to any comments of the staff of the Commission on such amendment and which, for the avoidance of doubt, shall be in accordance with the time periods set forth in Section 6(d), which may be extended only in accordance with Section 6(f).

(i) The Company may require each selling Holder to furnish to the Company a certified statement as to (A) the number of shares of Common Stock beneficially owned by such Holder and any Affiliate thereof, (B) any Financial Industry Regulatory Authority ("*FINRA*") affiliations, (C) any natural persons who have the power to vote or dispose of the Common Stock and (D) any other information as may be requested by the Commission, FINRA or any state securities commission.

(j) The Company shall cooperate with any registered broker through which a Holder proposes to resell its Registrable Securities in effecting a filing with FINRA pursuant to FINRA Rule 5110 as requested by any such Holder and the Company shall pay the filing fee required for the first such filing within two (2) Business Days of the request therefor.

(k) If at any time the Commission takes the position that the offering of some or all of the Registrable Securities in a Registration Statement is not eligible to be made on a delayed or continuous basis under the provisions of Rule 415 under the Securities Act or requires any Holder to be named as an "underwriter," the Company shall use commercially reasonable efforts to persuade the Commission 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 Holders is an "underwriter.

(l) Use commercially reasonable efforts to cause all Registrable Securities covered by a Registration Statement to be listed on the Principal Market.

(m) If requested by a Holder, (i) as soon as reasonably practicable, incorporate in a prospectus supplement or post-effective amendment such information as a Holder reasonably requests to be included therein relating to the sale and distribution of Registrable Securities, including, without limitation, information with respect to the number of Registrable Securities being offered or sold, the purchase price being paid therefor and any other terms of the offering of the Registrable Securities to be sold in such offering; (ii) as soon as reasonably practicable, make all required filings of such prospectus supplement or post-effective amendment after being notified of the matters to be incorporated in such prospectus supplement or post-effective amendment; and (iii) as soon as reasonably practicable, supplement or make amendments to any Registration Statement if reasonably requested.

4. Registration Expenses. All fees and expenses incident to the Company's performance of or compliance with its obligations under this Agreement (excluding any underwriting discounts and selling commissions) shall be borne by the Company whether or not any Registrable Securities are sold pursuant to a Registration Statement. The fees and expenses referred to in the foregoing sentence shall include, without limitation, (i) all registration and filing fees (including, without limitation, fees and expenses of the Company's counsel and independent registered public accountants (A) with respect to filings required to be made with any Trading Market on which the Common Stock are then listed for trading, (B) with respect to compliance with applicable state securities or blue sky laws (including, without limitation, fees and disbursements of counsel for the Company in connection with blue sky qualifications or exemptions of the Registrable Securities and determination of the eligibility of the Registrable Securities for investment under the laws of such jurisdictions as requested by the Holders) and (C) if not previously paid by the Company in connection with Section 3(j) above, with respect to any filing that may be required to be made by any broker through which a Holder intends to make sales of Registrable Securities with FINRA pursuant to the FINRA Rule 5110, so long as the broker is receiving no more than a customary brokerage commission in connection with such sale), (ii) printing expenses (including, without

limitation, expenses of printing certificates for Registrable Securities and of printing prospectuses if the printing of prospectuses is reasonably requested by the Holders of a majority of the Registrable Securities included in the Registration Statement), (iii) messenger, telephone and delivery expenses, (iv) fees, expenses and disbursements of counsel for the Company, (v) Securities Act liability insurance, if the Company so desires such insurance, (vi) fees and expenses of all other Persons retained by the Company in connection with the registrations and consummation of the transactions contemplated by this Agreement, and (vii) reasonable fees and expenses of legal counsel to the Holders, not to exceed $50,000 in the aggregate, per registration. In addition, the Company shall be responsible for all of its internal expenses incurred in connection with the consummation of the transactions contemplated by this Agreement (including, without limitation, all salaries and expenses of its officers and employees performing legal or accounting duties), the expense of any annual audit and the fees and expenses incurred in connection with the listing of the Registrable Securities on any securities exchange as required hereunder. In no event shall the Company be responsible for any underwriting, broker or similar fees or commissions of any Holder or, except to the extent provided for in the Transaction Documents, any legal fees or other costs of the Holders.

5. Indemnification.

(a) Indemnification by the Company. The Company shall, notwithstanding any termination of this Agreement, indemnify, defend and hold harmless each Holder and each of their respective officers, directors, agents, partners, members, managers, stockholders, Affiliates, investment advisers and employees of each of them, each Person who controls any such Holder (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) and the officers, directors, partners, members, managers, stockholders, agents, investment advisers and employees of each such controlling Person, to the fullest extent permitted by applicable law, from and against any and all losses, claims, damages, liabilities, costs (including, without limitation, reasonable costs of preparation and investigation and reasonable attorneys' fees), expenses and disbursements (collectively, "*Losses*"), as incurred, that arise out of or are based upon (i) any untrue or alleged untrue statement of a material fact contained in any Registration Statement, any Prospectus or any form of prospectus or in any amendment or supplement thereto or in any preliminary prospectus, or arising out of or relating to any omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein (in the case of any Prospectus or form of prospectus or supplement thereto, in light of the circumstances under which they were made) not misleading, or (ii) any violation or alleged violation by the Company or its agents of the Securities Act, the Exchange Act or any state securities law or any rule or regulation thereunder, in connection with the performance of its obligations under this Agreement or any action or inaction required of the Company in connection with any registration, except to the extent, but only to the extent, that (A) such untrue statements, alleged untrue statements, omissions or alleged omissions are based solely upon information regarding such Holder furnished in writing to the Company by such Holder expressly for use therein, or to the extent that such information relates to such Holder or such Holder's proposed method of distribution of Registrable Securities and was reviewed and approved in writing by such Holder expressly for use in the Registration Statement, such Prospectus or such form of Prospectus or in any amendment or supplement thereto (it being understood that each Holder has approved Annex A hereto for this purpose), (B) in the case of an occurrence of an event of the type specified in Section 3(c)(iii)-(vi), related to the use by a Holder of an outdated or defective Prospectus after the Company has notified such Holder in writing that the Prospectus is outdated or defective and prior to the receipt by such Holder of the Advice contemplated and defined in Section 6(d) below, to the extent that following the receipt of the Advice the misstatement or omission giving rise to such Loss would have been corrected or (C) to the extent that any such Losses arise out of the Purchaser's (or any other indemnified Person's) failure to send or give a copy of the Prospectus or supplement (as then amended or supplemented), if required, pursuant to Rule 172 under the Securities Act (or any successor rule) to the Persons asserting an untrue statement or alleged untrue statement or alleged untrue statement or omission or alleged omission at or prior to the written confirmation of the sale of Registrable Securities to such Person if such statement or omission was corrected in such Prospectus or supplement. The Company shall notify the Holders promptly of the institution, threat or assertion of any Proceeding arising from or in connection with the transactions contemplated by this Agreement of which the Company is aware. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of an Indemnified Party (as defined in Section 5(c)) and shall survive the transfer of the Registrable Securities by the Holders.

(b) Indemnification by Holders. Each Holder shall, severally and not jointly, indemnify and hold harmless the Company, its directors, officers, agents and employees, each Person who controls the Company (within the meaning of Section 15 of the Securities Act and Section 20 of the Exchange Act), and the directors, officers, agents or employees of such controlling Persons, to the fullest extent permitted by applicable law, from and against all Losses, as incurred, arising out of or are based solely upon any untrue or alleged untrue statement of a material fact contained in any Registration Statement, any Prospectus, or any form of prospectus, or in any amendment or supplement thereto or in any preliminary prospectus, or arising out of or relating to any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein (in the case of any Prospectus, or any form of prospectus or supplement thereto, in light of the circumstances under which they were made) not misleading (i) solely to the extent that such untrue statements or omissions are based solely upon information regarding such Holder furnished in writing to the Company by such Holder expressly for use therein or (ii) to the extent that such information relates to such Holder or such Holder's proposed method of distribution of Registrable Securities and was reviewed and approved in writing by such Holder expressly for use in the Registration Statement, such Prospectus, such form of Prospectus or any amendment or supplement thereto (it being understood that the Holder has approved Annex A hereto for this purpose), or (iii) in the case of an occurrence of an event of the type specified in Section 3(c)(iii)-(vi), to the extent related to the use by such Holder of an outdated or defective Prospectus after the Company has notified such Holder in writing that the Prospectus is outdated or defective and prior to the receipt by such Holder of the Advice contemplated in Section 6(d). In no event shall the liability of any selling Holder hereunder be greater in amount than the dollar amount of the net proceeds received by such Holder upon the sale of the Registrable Securities giving rise to such indemnification obligation.

(c) Conduct of Indemnification Proceedings. If any Proceeding shall be brought or asserted against any Person entitled to indemnity hereunder (an "*Indemnified Party*"), such Indemnified Party shall promptly notify the Person from whom indemnity is sought (the "*Indemnifying Party*") in writing, and the Indemnifying Party shall have the right to assume the defense thereof, including the employment of counsel reasonably satisfactory to the Indemnified Party and the payment of all reasonable fees, expenses and disbursements incurred in connection with defense thereof; *provided*, that the failure of any Indemnified Party to give such notice shall not relieve the Indemnifying Party of its obligations or liabilities pursuant to this Agreement, except (and only) to the extent that it shall be finally determined by a court of competent jurisdiction (which determination is not subject to appeal or further review) that such failure shall have materially and adversely prejudiced the Indemnifying Party.

An Indemnified Party shall have the right to employ separate counsel in any such Proceeding and to participate in the defense thereof, but the fees, expenses and disbursements of such counsel shall be at the expense of such Indemnified Party or Indemnified Parties unless: (1) the Indemnifying Party has agreed in writing to pay such fees, expenses and amounts; (2) the Indemnifying Party shall have failed promptly to assume the defense of such Proceeding and to employ counsel reasonably satisfactory to such Indemnified Party in any such Proceeding; or (3) the named parties to any such Proceeding (including any impleaded parties) include both such Indemnified Party and the Indemnifying Party, and such Indemnified Party shall have been advised by counsel that a conflict of interest exists if the same counsel were to represent such Indemnified Party and the Indemnifying Party (in which case, if such Indemnified Party notifies the Indemnifying Party in writing that it elects to employ separate counsel at the expense of the Indemnifying Party, the Indemnifying Party shall not have the right to assume the defense thereof and such counsel shall be at the expense of the Indemnifying Party); *provided*, that the Indemnifying Party shall not be liable for the fees, expenses and disbursements of more than one separate firm of attorneys at any time for all Indemnified Parties. The Indemnifying Party shall not be liable for any settlement of any such Proceeding effected without its written consent, which consent shall not be unreasonably withheld, delayed or conditioned. No Indemnifying Party shall, without the prior written consent of the Indemnified Party, effect any settlement of any pending Proceeding in respect of which any Indemnified Party is a party, unless such settlement includes an unconditional release of such Indemnified Party from all liability on claims that are the subject matter of such Proceeding.

Subject to the terms of this Agreement, all fees, expenses and disbursements of the Indemnified Party (including reasonable fees, expenses and disbursements to the extent incurred in connection with investigating or preparing to defend such Proceeding in a manner not inconsistent with this Section 5) shall be paid to the Indemnified Party, as incurred, within twenty (20) Trading Days of

written notice thereof to the Indemnifying Party; *provided*, that the Indemnified Party shall promptly reimburse the Indemnifying Party for that portion of such fees, expenses and disbursements applicable to such actions for which such Indemnified Party is finally judicially determined to not be entitled to indemnification hereunder. 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 Party under this Section 5, except to the extent that the Indemnifying Party is materially and adversely prejudiced in its ability to defend such action.

(d) Contribution. If a claim for indemnification under Section 5(a) or 5(b) is unavailable, other than as expressly specified therein, to an Indemnified Party or insufficient to hold an Indemnified Party harmless for any Losses, then each Indemnifying Party, in lieu of indemnifying such Indemnified Party, shall contribute to the amount paid or payable by such Indemnified Party as a result of such Losses, in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party and Indemnified Party in connection with the actions, statements or omissions that resulted in such Losses as well as any other relevant equitable considerations. The relative fault of such Indemnifying Party and Indemnified Party shall be determined by reference to, among other things, whether any action in question, including any untrue or alleged untrue statement of a material fact or omission or alleged omission of a material fact, has been taken or made by, or relates to information supplied by, such Indemnifying Party or Indemnified Party, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such action, statement or omission. The amount paid or payable by a party as a result of any Losses shall be deemed to include, subject to the limitations set forth in this Agreement, any reasonable attorneys' or other reasonable fees, expenses or disbursements incurred by such party in connection with any Proceeding to the extent such party would have been indemnified for such fees, expenses or disbursements if the indemnification provided for in this Section 5 was available to such party in accordance with its terms.

The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 5(d) were determined by pro rata allocation or by any other method of allocation that does not take into account the equitable considerations referred to in the immediately preceding paragraph. Notwithstanding the provisions of this Section 5(d), (A) no Holder shall be required to contribute, in the aggregate with any other amounts payable by it under this Section 5, any amount in excess of the net proceeds actually received by such Holder from the sale of the Registrable Securities giving rise to such contribution obligation and (B) no contribution will be made under circumstances where the maker of such contribution would not have been required to indemnify the Indemnified Party under the fault standards set forth in this Section 5. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation.

The indemnity and contribution agreements contained in this Section 5 are in addition to any liability that the Indemnifying Parties may have to the Indemnified Parties and are not in diminution or limitation of the indemnification provisions under the Purchase Agreement.

6. Miscellaneous.

(a) Remedies. In the event of a breach by the Company or by a Holder of any of their obligations under this Agreement, each Holder or the Company, as the case may be, in addition to being entitled to exercise all rights granted by law and under this Agreement, including recovery of damages, will be entitled to seek specific performance of its rights under this Agreement, without the requirement of posting a bond. The Company and each Holder agree that monetary damages would not provide adequate compensation for any losses incurred by reason of a breach by it of any of the provisions of this Agreement and hereby further agrees that, in the event of any action for specific performance in respect of such breach, it shall waive the defense that a remedy at law would be adequate.

(b) No Piggyback on Registrations; Prohibition on Filing Other Registration Statements. Except and to the extent specified in the Purchase Agreement, neither the Company nor any of its security holders (other than the Holders in such capacity pursuant hereto) may include securities of the Company in a Registration Statement other than the Registrable Securities and the Company shall not

prior to the Effective Date enter into any agreement providing any such right to any of its security holders.

(c) Compliance. Each Holder covenants and agrees that it will comply with the prospectus delivery requirements of the Securities Act as applicable to it (unless an exemption therefrom is available) in connection with sales of Registrable Securities pursuant to the Registration Statement and shall sell the Registrable Securities only in accordance with a method of distribution described in the Prospectus, or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

(d) Discontinued Disposition. By its acquisition of Registrable Securities, each Holder agrees that, upon receipt of a notice from the Company of the occurrence of any event of the kind described in Section 3(c)(iii)-(vi), such Holder will forthwith discontinue disposition of such Registrable Securities under a Registration Statement until it is advised in writing (the "*Advice*") by the Company that the use of the applicable Prospectus (as it may have been supplemented or amended) may be resumed. The Company will use its best efforts to ensure that the use of the Prospectus may be resumed as promptly as is practicable. Notwithstanding anything herein to the contrary, no Holder shall be required to discontinue disposition of Registrable Securities under a Registration Statement by virtue of the delivery by the Company of a notice of the occurrence of any event of the kind described in Section 3(c)(v) or Section 3(c)(vi) on more than two (2) occasions or for more than sixty (60) total calendar days, in each case during any twelve-month period, or for more than thirty (30) calendar days during any ninety (90)-day period (an "*Allowed Suspension*").

(e) No Inconsistent Agreements. Neither the Company nor any of its subsidiaries has entered, as of the date hereof, nor shall the Company or any of its subsidiaries, on or after the date hereof, enter into any agreement with respect to its securities, that would have the effect of impairing the rights granted to the Holders in this Agreement or otherwise conflicts with the provisions hereof.

(f) Amendments and Waivers. The provisions of this Agreement, including the provisions of this sentence, may not be amended, modified or supplemented, or waived unless the same shall be in writing and signed by the Company and Holders holding no less than a majority of the then outstanding Registrable Securities, which majority must include each Lead Investor holding Registrable Securities at such time, provided that any party may give a waiver as to itself. 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 Holders and that does not directly or indirectly affect the rights of other Holders may be given by Holders of all of the Registrable Securities to which such waiver or consent relates.

(g) Notices. Any and all notices or other communications or deliveries required or permitted to be provided hereunder shall be delivered as set forth in the Purchase Agreement.

(h) Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the successors and permitted assigns of each of the parties and shall inure to the benefit of each Holder. 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. The Company may not assign its rights (except by merger or in connection with another entity acquiring all or substantially all of the Company's assets) or obligations hereunder without the prior written consent of all the Holders of the then outstanding Registrable Securities. Each Holder may assign its respective rights hereunder in the manner and to the Persons as permitted under the Purchase Agreement; provided in each case that (i) the Holder agrees in writing with the transferee or assignee to assign such rights and related obligations under this Agreement, and for the transferee or assignee to assume such obligations, and a copy of such agreement is furnished to the Company within a reasonable time after such assignment, (ii) the Company is, within a reasonable time after such transfer or assignment, furnished with written notice of the name and address of such transferee or assignee and the securities with respect to which such registration rights are being transferred or assigned, (iii) at or before the time the Company received the written notice contemplated by clause (ii) of this sentence, the transferee or assignee agrees in writing with the

Company to be bound by all of the provisions contained herein and (iv) the transferee is an "accredited investor," as that term is defined in Rule 501 of Regulation D.

(i) Execution and Counterparts. This Agreement may be executed in two or more counterparts, each of which when so executed shall be deemed to be an original and, all of which taken together shall constitute one and the same Agreement and shall become effective when counterparts have been signed by each party and delivered to the other party, it being understood that both parties need not sign the same counterpart. Counterparts may be delivered via facsimile, electronic mail (including any electronic signature covered by the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act, the Electronic Signatures and Records Act or other applicable law, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

(j) Governing Law. All questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be determined in accordance with the provisions of the Purchase Agreement.

(k) Cumulative Remedies. The remedies provided herein are cumulative and not exclusive of any other remedies provided by law.

(l) Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions set forth herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and the parties hereto shall use their good faith reasonable efforts to find and employ an alternative means to achieve the same or substantially the same result as that contemplated by such term, provision, covenant or restriction. It is hereby stipulated and declared to be the intention of the parties that they would have executed the remaining terms, provisions, covenants and restrictions without including any of such that may be hereafter declared invalid, illegal, void or unenforceable.

(m) Headings. The headings in this Agreement are for convenience only and shall not limit or otherwise affect the meaning hereof.

(n) Independent Nature of Purchasers' Obligations and Rights. The obligations of each Purchaser under this Agreement are several and not joint with the obligations of any other Purchaser hereunder, and no Purchaser shall be responsible in any way for the performance of the obligations of any other Purchaser hereunder. The decision of each Purchaser to purchase Securities pursuant to the Transaction Documents has been made by such Purchaser independently of any other Purchaser and independently of any information, materials, statements or opinions as to the business, affairs, operations, assets, properties, liabilities, results of operations, condition (financial or otherwise) or prospects of the Company or any Subsidiary which may have been made or given by any other Purchaser or by any agent or employee of any other Purchaser, and no Purchaser and any of its agents or employees shall have any liability to any other Purchaser (or any other Person) relating to or arising from any such information, materials, statement or opinions. Nothing contained herein or in any Transaction Document, and no action taken by any Purchaser pursuant hereto or thereto, shall be deemed to constitute the Purchasers as 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, without limitation, a "group" within the meaning of Section 13(d)(3) of the Exchange Act) with respect to such obligations or the transactions contemplated by the Transaction Documents. Each Purchaser acknowledges that no other Purchaser has acted as agent for such Purchaser in connection with making its investment hereunder and that no Purchaser will be acting as agent of such Purchaser in connection with monitoring its investment in the securities or enforcing its rights under the Transaction Documents. Each Purchaser shall be entitled to independently protect and enforce its rights, including, without limitation, the rights arising out of this Agreement or out of the other Transaction Documents, 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 acknowledges that each of the Purchasers has been provided with the same Registration Rights Agreement for the purpose of closing a transaction with multiple Purchasers and not because it was required or requested to do so by any Purchaser. 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.

(o) Current Public Information. With a view to making available to the Holders the benefits of Rule 144 (or its successor rule) and any other rule or regulation of the Commission that may at any time permit the Holders to sell shares of Common Stock to the public without registration, for so long as Registrable Securities remain 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; and (ii) file with the Commission in a timely manner all reports and other documents required of the Company under the Exchange Act.

(p) SPECIFIC PERFORMANCE. 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 ITS SPECIFIC INTENT OR WERE OTHERWISE BREACHED. IT IS ACCORDINGLY AGREED THAT THE PARTIES SHALL BE ENTITLED TO AN INJUNCTION OR INJUNCTIONS, WITHOUT BOND, TO PREVENT OR CURE BREACHES OF THE PROVISIONS OF THIS AGREEMENT AND TO ENFORCE SPECIFICALLY THE TERMS AND PROVISIONS HEREOF, THIS BEING IN ADDITION TO ANY OTHER REMEDY TO WHICH THEY MAY BE ENTITLED BY LAW OR EQUITY, AND ANY PARTY SUED FOR BREACH OF THIS AGREEMENT EXPRESSLY WAIVES ANY DEFENSE THAT A REMEDY IN DAMAGES WOULD BE ADEQUATE.

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IN WITNESS WHEREOF, the parties have executed this Registration Rights Agreement as of the date first written above.

AVALO THERAPEUTICS, INC.

By:
Name:
Title:

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IN WITNESS WHEREOF, the parties have executed this Registration Rights Agreement as of the date first written above.

NAME OF INVESTING ENTITY

By: _____
Name:
Title:

ANNEX A

PLAN OF DISTRIBUTION

We are registering the shares of Series C Preferred Stock, Warrants, and shares of common stock of Avalo Therapeutics, Inc., par value of $0.001 per share, or the Common Stock, which we refer to herein as "Shares," issued to the selling stockholders or issuable upon conversion of our Series C Preferred Stock and exercise of the Warrants to permit the sale, transfer or other disposition of the Shares, shares of Series C Preferred Stock and Warrants by the selling stockholders or their donees, pledgees, distributees, transferees or other successors-in-interest from time to time after the date of this prospectus. We will not receive any of the proceeds from the sale by the selling stockholders of the Shares. We will, however, to the extent the Warrants are exercised for cash, receive proceeds from such exercises; to the extent we receive such proceeds, they are expected to be used for general corporate and working capital purposes. We will, or will procure to, bear all fees and expenses incident to our obligation to register the Shares.

The selling stockholders may sell all or a portion of the Shares beneficially owned by them and offered hereby from time to time directly or through one or more underwriters, broker-dealers or agents. If the Shares are sold through underwriters or broker-dealers, the selling stockholders will be responsible for underwriting discounts (it being understood that the selling stockholders shall not be deemed to be underwriters solely as a result of their participation in this offering) or commissions or agent's commissions. The Shares may be sold on any national securities exchange or quotation service on which the securities may be listed or quoted at the time of sale, in the over-the-counter market or in transactions otherwise than on these exchanges or systems or in the over-the-counter market and in one or more transactions at fixed prices, through distributions in kind for no consideration, at prevailing market prices at the time of the sale, at varying prices determined at the time of sale, or at negotiated prices. These sales may be effected in transactions, which may involve crosses or block transactions. The selling stockholders may use any one or more of the following methods when selling Shares:

- 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;
- to or through underwriters or 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;
- through the distribution of such securities by any selling stockholder to its equity holders;
- privately negotiated transactions;
- 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 option 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;
- through the writing or settlement of options or other hedging transactions, whether such options are listed on an options exchange or otherwise;
- a combination of any such methods of sale; and
- any other method permitted pursuant to applicable law.

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, as amended, or the Securities Act, as permitted by that rule, or Section 4(a)(1) under the Securities Act, if available, rather than under this prospectus, provided that they meet the criteria and conform to the requirements of those provisions.

Broker-dealers engaged by the selling stockholders may arrange for other broker-dealers to participate in sales. If the selling stockholders effect such transactions by selling Shares to or through

underwriters, broker-dealers or agents, such underwriters, broker-dealers or agents may receive commissions in the form of discounts, concessions or commissions from the selling stockholders or commissions from purchasers of the Shares for whom they may act as agent or to whom they may sell as principal. Such commissions will be in amounts to be negotiated, but, except as set forth in a supplement to this Prospectus, in the case of an agency transaction will not be in excess of a customary brokerage commission in compliance with FINRA Rule 2121; and in the case of a principal transaction a markup or markdown in compliance with FINRA IM-2121.01.

In connection with sales of the Shares or otherwise, 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 Shares in the course of hedging in positions they assume. The selling stockholders may also sell Shares short and if such short sale takes place after the date that this Registration Statement is declared effective by the Commission, the selling stockholders may deliver Shares covered by this prospectus to close out short positions and to return borrowed Shares in connection with such short sales. The selling stockholders may also loan or pledge Shares to broker-dealers that in turn may sell such Shares, to the extent permitted by applicable law. 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). Notwithstanding the foregoing, the selling stockholders have been advised that they may not use Shares the resale of which has been registered on this registration statement to cover short sales of our Common Stock made prior to the date the registration statement, of which this prospectus forms a part, has been declared effective by the SEC.

The selling stockholders may, from time to time, pledge or grant a security interest in some or all of the Shares 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 from time to time pursuant to this prospectus or any amendment to this prospectus under Rule 424(b)(3) or other applicable provision of the Securities Act of 1933, amending, if necessary, 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 and donate the Shares in other circumstances in which case the transferees, donees, pledgees or other successors in interest will be the selling beneficial owners for purposes of this prospectus.

The selling stockholders and any broker-dealer or agents participating in the distribution of the Shares may be deemed to be “underwriters” within the meaning of Section 2(11) of the Securities Act in connection with such sales. In such event, any commissions paid, or any discounts or concessions allowed to, any such broker-dealer or agent and any profit on the resale of the shares purchased by them may be deemed to be underwriting commissions or discounts under the Securities Act. Selling Stockholders who are “underwriters” within the meaning of Section 2(11) of the Securities Act will be subject to the applicable prospectus delivery requirements of the Securities Act including Rule 172 thereunder and may be subject to certain statutory liabilities of, including but not limited to, Sections 11, 12 and 17 of the Securities Act and Rule 10b-5 under the Securities Exchange Act of 1934, as amended, or the Exchange Act.

Each selling stockholder has informed the Company that it is not a registered broker-dealer and does not have any written or oral agreement or understanding, directly or indirectly, with any person to distribute the Shares. Upon the Company being notified in writing by a selling stockholder that any material arrangement has been entered into with a broker-dealer for the sale of Common Stock through a block trade, special offering, exchange distribution or secondary distribution or a purchase by a broker or dealer, a supplement to this prospectus will be filed, if required, pursuant to Rule 424(b) under the Securities Act, disclosing (i) the name of each such selling stockholder and of the participating broker-dealer(s), (ii) the number of Shares involved, (iii) the price at which such the Shares were sold, (iv) the commissions paid or discounts or concessions allowed to such broker-dealer(s), where applicable, (v) that such broker-dealer(s) did not conduct any investigation to verify the information set out or incorporated by reference in this prospectus, and (vi) other facts material to the transaction. In no event shall any broker-dealer receive fees, commissions and markups, which, in the aggregate, would exceed eight percent (8.0%).

Under the securities laws of some U.S. states, the Shares may be sold in such states only through registered or licensed brokers or dealers. In addition, in some U.S. states the Shares may not be sold unless such shares have been registered or qualified for sale in such state or an exemption from registration or qualification is available and is complied with.

There can be no assurance that any selling stockholder will sell any or all of the Shares registered pursuant to the shelf registration statement, of which this prospectus forms a part.

Each selling stockholder and any other person participating in such distribution will be subject to applicable provisions of the Exchange Act and the rules and regulations thereunder, including, without limitation, to the extent applicable, Regulation M of the Exchange Act, which may limit the timing of purchases and sales of any of the Shares by the selling stockholder and any other participating person. To the extent applicable, Regulation M may also restrict the ability of any person engaged in the distribution of the Shares to engage in market-making activities with respect to the Shares. All of the foregoing may affect the marketability of the Shares and the ability of any person or entity to engage in market-making activities with respect to the Shares.

We will pay all expenses of the registration of the Shares pursuant to the registration rights agreement, including, without limitation, Securities and Exchange Commission filing fees and expenses of compliance with state securities or "blue sky" laws; *provided*, *however*, that each selling stockholder will pay all underwriting discounts and selling commissions, and any related legal or other advisory fees and expenses (in excess of the up to $50,000, per registration in reasonable fees and expenses of legal counsel to the selling stockholders which we agreed to reimburse) incurred by it, if any. We will indemnify the selling stockholders against certain liabilities, including some liabilities under the Securities Act, in accordance with the registration rights agreement, or the selling stockholders will be entitled to contribution. We may be indemnified by the selling stockholders against certain civil liabilities set forth in the registration rights agreement, including liabilities under the Securities Act, that may arise from any written information furnished to us by the selling stockholders specifically for use in this prospectus, in accordance with the related registration rights agreements, or we may be entitled to contribution.

ANNEX B

SELLING STOCKHOLDER NOTICE AND QUESTIONNAIRE

The undersigned holder of shares of the (i) common stock, par value $0.001 per share, of Avalo Therapeutics, Inc. (the "*Company*"), (ii) Series C Non-Voting Convertible Preferred Shares, par value $0.001 per share, of the Company and/or (iii) warrants of the Company issued pursuant to a certain Securities Purchase Agreement by and among the Company and the Purchasers named therein, dated as of March 27, 2024 (the "*Agreement*"), understands that the Company intends to file with the Securities and Exchange Commission a registration statement on Form S-3 (the "*Resale Registration Statement*") for the registration and the resale under Rule 415 of the Securities Act of 1933, as amended (the " *Securities Act*"), of the Registrable Securities in accordance with the terms of the Agreement. All capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Agreement.

In order to sell or otherwise dispose of any Registrable Securities pursuant to the Resale Registration Statement, a holder of Registrable Securities generally will be required to be named as a selling stockholder in the related prospectus or a supplement thereto (as so supplemented, the "*Prospectus*"), deliver the Prospectus to purchasers of Registrable Securities (including pursuant to Rule 172 under the Securities Act) and be bound by the provisions of the Agreement (including certain indemnification provisions, as described below). **Holders must complete and deliver this Notice and Questionnaire in order to be named as selling stockholders in the Prospectus. Holders of Registrable Securities who do not complete, execute and return this Notice and Questionnaire within five (5) Trading Days following the date of the Agreement (1) will not be named as selling stockholders in the Resale Registration Statement or the Prospectus and (2) may not use the Prospectus for resales of Registrable Securities**.

Certain legal consequences arise from being named as a selling stockholder in the Resale Registration Statement and the Prospectus. Holders of Registrable Securities are advised to consult their own securities law counsel regarding the consequences of being named or not named as a selling stockholder in the Resale Registration Statement and the Prospectus.

NOTICE

The undersigned holder (the "*Selling Stockholder*") of Registrable Securities hereby gives notice to the Company of its intention to sell or otherwise dispose of Registrable Securities owned by it and listed below in Item (3), unless otherwise specified in Item (3), pursuant to the Resale Registration Statement. The undersigned, by signing and returning this Notice and Questionnaire, understands and agrees that it will be bound by the terms and conditions of this Notice and Questionnaire and the Agreement.

The undersigned hereby provides the following information to the Company and represents and warrants that such information is accurate and complete:

QUESTIONNAIRE

1. Name.

(a) Full Legal Name of Selling Stockholder:

(b) Full Legal Name of Registered Holder (if not the same as (a) above) through which Registrable Securities Listed in Item 3 below are held:

(c) Full Legal Name of Natural Control Person (which means a natural person who directly or indirectly alone or with others has power to vote or dispose of the securities covered by the questionnaire):

2. Address for Notices to Selling Stockholder:

Telephone:

Fax:

Contact Person:

E-mail address of Contact Person:

3. Beneficial Ownership of Registrable Securities Issuable Pursuant to the Purchase Agreement:

(a) Type and Number of Registrable Securities beneficially owned and issued pursuant to the Agreement:

(b) Number of Registrable Securities to be registered pursuant to this Notice for resale:

4. Broker-Dealer Status:

(a) Are you a broker-dealer?

Yes ☐ No ☐

(b) If "yes" to Section 4(a), did you receive your Registrable Securities as compensation for investment banking services to the Company?

Yes ☐ No ☐

Note: If no, the Commission's staff has indicated that you should be identified as an underwriter in the Registration Statement.

(c) Are you an affiliate of a broker-dealer?

Yes ☐ No ☐

Note: If yes, provide a narrative explanation below:

(d) If you are an affiliate of a broker-dealer, do you certify that you bought the Registrable Securities in the ordinary course of business, and at the time of the purchase of the Registrable Securities to be resold, you had no agreements or understandings, directly or indirectly, with any person to distribute the Registrable Securities?

Yes ☐ No ☐

Note: If no, the Commission's staff has indicated that you should be identified as an underwriter in the Registration Statement.

5. Beneficial Ownership of Other Securities of the Company Owned by the Selling Stockholder.

Except as set forth below in this Item 5, the undersigned is not the beneficial or registered owner of any securities of the Company other than the Registrable Securities listed above in Item 3.

Type and amount of other securities beneficially owned:

6. Relationships with the Company:

Except as set forth below, neither the undersigned nor any of its affiliates, officers, directors or principal equity holders (owners of 5% of more of the equity securities of the undersigned) has held any position or office or has had any other material relationship with the Company (or its predecessors or affiliates) during the past three years.

State any exceptions here:

7. Plan of Distribution:

The undersigned has reviewed the form of Plan of Distribution attached as Annex A to the Registration Rights Agreement, and hereby confirms that, except as set forth below, the information contained therein regarding the undersigned and its plan of distribution is correct and complete.

State any exceptions here:

****

The undersigned agrees to promptly notify the Company of any inaccuracies or changes in the information provided herein that may occur subsequent to the date hereof and prior to the effective date of any applicable Resale Registration Statement. All notices hereunder and pursuant to the Agreement shall be made in writing, by hand delivery, confirmed or facsimile transmission, first-class mail or air courier guaranteeing overnight delivery at the address set forth below. In the absence of any such notification, the Company shall be entitled to continue to rely on the accuracy of the information in this Notice and Questionnaire.

By signing below, the undersigned consents to the disclosure of the information contained herein in its answers to Items (1) through (7) above and the inclusion of such information in the Resale Registration Statement and the Prospectus. The undersigned understands that such information will be relied upon by the Company in connection with the preparation or amendment of any such Registration Statement and the Prospectus.

By signing below, the undersigned acknowledges that it understands its obligation to comply, and agrees that it will comply, with the provisions of the Exchange Act and the rules and regulations thereunder, particularly Regulation M in connection with any offering of Registrable Securities pursuant to the Resale Registration Statement. The undersigned also acknowledges that it understands that the answers to this Questionnaire are furnished for use in connection with Registration Statements filed pursuant to the Registration Rights Agreement and any amendments or supplements thereto filed with the Commission pursuant to the Securities Act.

The undersigned hereby acknowledges and is advised of the following Question 239.10 of the Securities Act Rules Compliance and Disclosure Interpretations regarding short selling:

"*An Issuer filed a Form S-3 registration statement for a secondary offering of common stock which is not yet effective. One of the selling stockholders wanted to do a short sale of common stock "against the box" and cover the short sale with registered shares after the effective date. The issuer was advised that the short sale could not be made before the registration statement become effective, because the shares underlying the short sale are deemed to be sold at the time such sale is made. There would, therefore, be a violation of Section 5 if the shares were effectively sold prior to the effective date.*"

By returning this Questionnaire, the undersigned will be deemed to be aware of the foregoing interpretation.

I confirm that, to the best of my knowledge and belief, the foregoing statements (including without limitation the answers to this Questionnaire) are correct.

IN WITNESS WHEREOF the undersigned, by authority duly given, has caused this Questionnaire to be executed and delivered either in person or by its duly authorized agent.

Dated:

Beneficial Owner:

By: _____

Name:

Title:

PLEASE EMAIL A COPY OF THE COMPLETED AND EXECUTED NOTICE AND QUESTIONNAIRE, AND RETURN THE ORIGINAL BY OVERNIGHT MAIL, TO:

Andrew J. Gibbons

Wyrick Robbins Yates & Ponton LLP

4101 Lake Boone Trail # 300, Raleigh, NC 27607

Telephone No.: (919) 781-4000

Attention: Andrew J. Gibbons

E-mail: ***

Avalo Acquires Anti-IL-1β mAb and Announces Private Placement Financing of up to $185 Million

- *Avalo acquires Phase 2-ready anti-IL-1β mAb, AVTX-009, through acquisition of AlmataBio, Inc.*
- *Topline results from planned Phase 2 trial in hidradenitis suppurativa expected in 2026*
- *Executed private placement financing of up to $185 million, including initial upfront investment of $115.6 million; expected to extend cash runway into 2027*
- *Webcast to be held tomorrow, March 28, 2024 at 8:30 a.m. E.T.*

WAYNE, PA and ROCKVILLE, MD, March 27, 2024 – Avalo Therapeutics, Inc. (Nasdaq: AVTX) today announced it has acquired a Phase 2-ready anti-IL-1β mAb, which it refers to as AVTX-009, through the acquisition of privately held AlmataBio, Inc. Concurrent with the acquisition, Avalo entered into a definitive agreement for the sale of preferred stock and warrants in a private placement led by Commodore Capital and TCGX, with participation from BVF Partners, Deep Track Capital, OrbiMed, Petrichor, and RA Capital Management. The private placement will provide up to $185 million in gross proceeds, including an initial gross upfront investment of $115.6 million. After deducting estimated transaction costs from both the private placement financing and the acquisition of AlmataBio, Avalo expects net upfront proceeds to be approximately $105 million. The private placement is expected to close on March 28, 2024, subject to the satisfaction of customary closing conditions. Avalo intends to pursue the development of AVTX-009 in hidradenitis suppurativa (HS). Topline results from a planned Phase 2 trial in HS are expected in 2026 and the upfront funding is expected to fund operations through this data readout and into 2027. In addition to HS, Avalo intends to develop AVTX-009 in at least one other chronic inflammatory indication.

"We are thrilled to announce the acquisition of AVTX-009 and concurrent financing of up to $185 million. Avalo remains focused on the treatment of inflammatory conditions, and we are excited to prepare to initiate a Phase 2 trial in HS, a severe autoimmune disease with significant unmet needs. We believe AVTX-009, which was originally developed by Eli Lilly, has a high probability of success for the treatment of HS as evidenced by recent data readouts validating inhibition of IL-1β in this disease. We believe that HS is a multi-billion-dollar commercial opportunity and that AVTX-009 has the potential to be best-in-class and best-in-indication because of its target, half-life, and potency, which may allow for strong efficacy and convenient dosing," said Garry A. Neil, MD, CEO, and Chairman of the Board at Avalo. *"We are excited to be fully funded through our expected data readout and we appreciate the support of this outstanding investment syndicate."*

Dr. Neil continued, *"I want to thank Patrick Crutcher and his team at AlmataBio for their great work in identifying and bringing this potentially best-in-class molecule forward. Mr. Crutcher has a long history of successful biotech entrepreneurship and identifying high quality opportunities. We greatly value his partnership and expertise."*

Patrick J. Crutcher, former CEO of AlmataBio, added, *"We are pleased that Avalo recognizes the promise of AVTX-009, an important potential treatment option for patients with inflammatory diseases. AlmataBio was founded to identify, acquire, and accelerate the development of clinically meaningful therapies, and we are proud of the contribution of the talented AlmataBio team to this mission. We look forward to the advancement of AVTX-009 into a Phase 2 trial in HS under Dr. Neil's stewardship."*

Management and Organization

Avalo's current leadership team will continue to lead Avalo and no person affiliated with AlmataBio will become an officer or employee of Avalo. Pursuant to the acquisition, Jonathan Goldman, M.D. was appointed to Avalo's Board of Directors effective on the closing of the transaction. Prior to the closing of the financing transaction, Samantha Truex and Aaron Kantoff are expected to be appointed to Avalo's Board of Directors. The five existing Avalo directors will continue in their roles.

About the Acquisition and Financing Transaction
Avalo's acquisition of AlmataBio, Inc. was structured as a stock-for-stock transaction whereby all outstanding equity interests in AlmataBio were exchanged in a merger for a combination of Avalo common stock and shares of Avalo non-voting convertible preferred stock, valued at approximately $15 million in the aggregate, resulting in the issuance of approximately 0.2 million shares of Avalo common stock and approximately 2,400 shares of non-voting convertible preferred stock. In addition, a cash payment of $7.5 million is due to the former AlmataBio stockholders upon the initial closing of the private placement investment. Avalo is also required to pay development milestones to the former AlmataBio stockholders, including $5 million due upon the first patient dosed in a Phase 2 trial in patients with HS for AVTX-009 and $15 million due upon the first patient dosed in a Phase 3 trial for AVTX-009, both of which are payable in cash, Avalo stock, or a combination thereof at the election of the former AlmataBio stockholders, subject to the terms and conditions of the definitive merger agreement.

Concurrently, Avalo entered into a definitive agreement for a private placement investment with institutional investors to raise up to $185 million in which the investors will be issued (i) an aggregate of $115.6 million of non-voting convertible preferred stock, resulting in the issuance of approximately 19,900 shares of non-voting convertible preferred stock and (ii) warrants to purchase up to an aggregate of approximately 12.0 million shares of Avalo's common stock or an equivalent amount (as converted to common stock) of non-voting convertible preferred stock, subject to the terms and conditions set forth in the warrant agreement, for an aggregate exercise price of $69.4 million. The warrants are exercisable for approximately $5.80 per underlying share of common stock until the earlier of five years from the date of issuance or 30 days after the public announcement of the first patient dosed in a Phase 2 trial of AVTX-009 in HS. After deducting estimated transaction costs from both the private placement financing and the acquisition of AlmataBio, Avalo expects net upfront proceeds to be approximately $105 million. The estimated transaction costs do not include the $7.5 million cash payment due to former AlmataBio stockholders upon the initial closing of the private placement investment. The private placement is expected to close on March 28, 2024, subject to the satisfaction of customary closing conditions.

Subject to and upon Avalo stockholder approval, each share of Avalo non-voting convertible preferred stock (i) issued to former AlmataBio stockholders and (ii) issued pursuant to the private placement investment will automatically convert to 1,000 shares of Avalo common stock, subject to certain beneficial ownership limitations. The non-voting convertible preferred stock holds no voting rights.

The acquisition was approved by the Board of Directors of Avalo and by the Board of Directors and stockholders of AlmataBio, Inc. The closings of the transactions are not subject to the approval of Avalo stockholders. On an as-converted basis and after accounting for these transactions (excluding the exercise of the warrants), the total number of shares of Avalo common stock outstanding would be approximately 23.4 million immediately after the closing of the transactions.

Oppenheimer & Co. is serving as sole placement agent to Avalo. Wyrick Robbins Yates & Ponton LLP is serving as legal counsel to Avalo. Goodwin Procter LLP is serving as legal counsel to AlmataBio, Inc. Schulte Roth & Zabel, LLP is serving as legal counsel to Commodore Capital and Gunderson Dettmer Stough Villeneuve Franklin & Hachigian, LLP is serving as legal counsel to TCGX.

Webcast Details
Avalo will host a webcast presentation to discuss the acquisition tomorrow, March 28, 2024, at 8:30 a.m. ET. Listeners can register for the webcast via this link. A copy of the slides being presented will be available via Avalo's website. Those who plan on participating are advised to join 15 minutes prior to the start time. A replay of the webcast will also be available via under the "News/Events" page in the Investors section of the Avalo's website approximately two hours after the call's conclusion.

About AVTX-009
AVTX-009 is a humanized monoclonal antibody (IgG4) that binds to interleukin-1β (IL-1β) with high affinity and neutralizes its activity. IL-1β is a central driver in the inflammatory process. Overproduction or dysregulation of IL-1β is implicated in many autoimmune and inflammatory diseases. IL-1β is a major, validated target for therapeutic intervention. There is evidence that inhibition of IL-1β could be effective in HS and a variety of inflammatory diseases in dermatology, gastroenterology, and rheumatology.

About Avalo Therapeutics
Avalo Therapeutics is a clinical stage biotechnology company focused on the treatment of immune dysregulation. Avalo's lead asset is AVTX-009, an anti-IL-1β mAb, targeting inflammatory diseases. Avalo's pipeline also includes quisovalimab (anti-LIGHT mAb) and AVTX-008 (BTLA agonist fusion protein). For more information about Avalo, please visit www.avalotx.com.

About AlmataBio, Inc.
AlmataBio, Inc. was formed in April 2023 and its primary operations were largely limited to identifying and in-licensing the anti-IL-1β asset. AlmataBio was led by its former CEO, Patrick J. Crutcher. Mr. Crutcher previously served as the Co-Founder and CEO of ValenzaBio, which was acquired by Acelyrin, Inc. (Nasdaq: SLRN). AlmataBio is now a wholly owned subsidiary of Avalo.

Forward-Looking Statements
This press release may include forward-looking statements made pursuant to the Private Securities Litigation Reform Act of 1995. Forward-looking statements are statements that are not historical facts. Such forward-looking statements are subject to significant risks and uncertainties that are subject to change based on various factors (many of which are beyond Avalo's control), which could cause actual results to differ from the forward-looking statements. Such statements may include, without limitation, statements with respect to Avalo's plans, objectives, projections, expectations and intentions and other statements identified by words such as "projects," "may," "might," "will," "could," "would," "should," "continue," "seeks," "aims," "predicts," "believes," "expects," "anticipates," "estimates," "intends," "plans," "potential," or similar expressions (including their use in the negative), or by discussions of future matters such as: satisfaction of customary closing conditions related to the private placement; the intended use of the proceeds from the private placement; integration of AVTX-009 into our operations, including trial design and IND preparation and filing for the planned Phase 2 trial; drug development costs, timing of trials and trial results, and other risks, particularly for AVTX-009, including reliance on investigators and enrollment of patients in clinical trials; reliance on key personnel; regulatory risks; general economic and market risks and uncertainties, including those caused the war in Ukraine and the Middle East; and those other risks detailed in Avalo's filings with the Securities and Exchange Commission, available at www.sec.gov. Actual results may differ from those set forth in the forward-looking statements. Except as required by applicable law, Avalo expressly disclaims any obligations or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in Avalo's expectations with respect thereto or any change in events, conditions or circumstances on which any statement is based.

For media and investor inquiries

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or

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Exhibit 99.2

Avalo Therapeutics, Inc. (AVTX)

Avalo Acquires Anti-IL-1β mAb and Announces up to $185M Private Placement

March 2024

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Forward-Looking Statements

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Avalo Therapeutics & AlmataBio: A Strong Strategic Fit to Drive Long-Term Growth

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Experienced team with a proven track record of late-stage immunology development

NASDAQ Listed: AVTX

AlmataBio, Inc.

Private company largely consisting of **Phase 2-ready Anti-IL-1β mAb and related assets**

De-risked MOA in target indications

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Leader in biologics to treat inflammation with a focus on AVTX-009 (Anti-IL-1β mAb)

Hidradenitis Suppurativa Topline Results 2026

NASDAQ Listed: AVTX

Concurrent with the acquisition of AVTX-009, Avalo announced a PIPE financing of up to $185M providing cash runway into 2027

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Avalo Therapeutics Pipeline

Compound	Indication	PreClin	P1	P2	P3	Anticipated Milestones
AVTX-009 Anti-IL-1β mAb	Hidradenitis suppurativa (HS)					P2 Topline Results 2026
	Autoimmune Indication TBD					TBD
Next Generation IL-1β (extended half-life)	--					TBD
Quisovalimab AVTX-002, Anti-LIGHT mAb	--					*Under strategic review*
AVTX-008 BTLA agonist fusion protein	--					*Under strategic review*

Executive Summary and Development Timeline

- **Potential for a Best-in-Disease Profile in HS**
  - High potency and favorable half-life may allow for improved efficacy and convenient dosing
  - Potential in other autoimmune diseases
- **Key Clinical Evidence Supporting IL-1β in HS**
  - In a large, well controlled Phase 2 trial (NCT05139602), lutikizumab validates IL-1β targeting in HS. Efficacy was comparable with other HS therapies despite a more severe patient population[1]
  - Clinical evidence suggests anti-IL-1α therapy is not effective in HS[2,3]
  - MAS825 (IL-1β/IL-18 bispecific) showed positive results in a Phase 2 randomized controlled study (NCT03827798)[4]
  - Monospecific IL-1β inhibition may outperform bispecifics that address targets that are unvalidated (IL-18) or known not to contribute to efficacy (IL-1α)
  - We believe AVTX-009 has a high probability of success in HS
- **HS Anticipated to Become Multi-Billion Dollar Market**
- **HS Topline Results Expected in 2026**
- **Expected Cash Runway into 2027**

1. Kimball AB, et al. Presented at: American Academy of Dermatology; March 8-12, 2024; San Diego, CA
2. ClinicalTrials.gov identifier: NCT04988308. Updated November 13, 2023. Accessed March 24, 2024. https://clinicaltrials.gov/search?term=NCT04988308 NCT04019041
3. ClinicalTrials.gov identifier: NCT04019041. Updated July 27, 2023. Accessed March 24, 2024. https://clinicaltrials.gov/search?term=NCT04988308
4. Kimball AB, et al. Presented at: American Academy of Dermatology; March 8-12, 2024; San Diego, CA

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Experienced Management Team

Decades of successful leadership, product development, and commercialization in pharma and biotech

Garry A. Neil, MD
Chief Executive Officer
Chairman of the Board

Chris Sullivan
Chief Financial Officer

Lisa Hegg, PhD
SVP, Program Management, Corporate Infrastructure, Clinical Operations

Colleen Matkowski
SVP, Global Regulatory Affairs, Quality Assurance

Dino C. Miano, PhD
SVP, CMC, Technical Operations

ARENA PHARMACEUTICALS
SUCAMPO The Science of Innovation
gsk GlaxoSmithKline
Takeda
ALEXION
Johnson & Johnson
OpGen
BIOMARIN
AstraZeneca
EY
aclaris THERAPEUTICS
FDA

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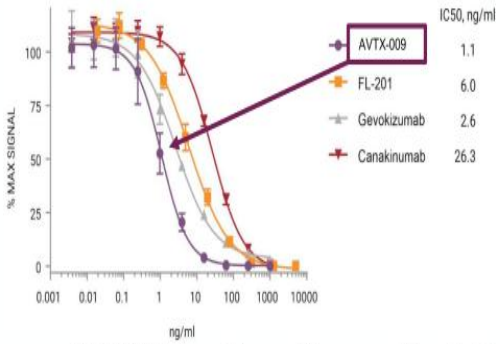
AVTX-009

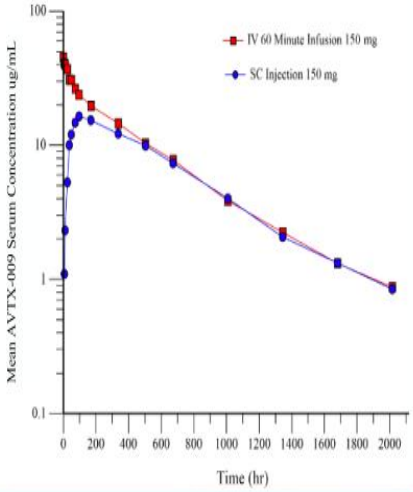
Highly Potent and Specific Inhibitor of a Validated Immune Target; Potential for Q2W to Q12W Dosing [1,2]

- **High-affinity humanized antibody that potently neutralizes IL-1β**
  - Originally developed by Lilly
  - Exceptional Kd of <3 pM (picomolar)
    - Superior potency vs ILARIS in vitro
  - $t_{1/2}$ ~19 days (SC and IV)
  - Bioavailability ~73%
- **Clinical experience: 245 patients studied in Phase 1 & Phase 2 trials[3]**
  - Excellent tolerability and safety at all doses up to 180 mg weekly
  - Marked lowering of hs-CRP after a single dose
  - Potency and half life expected to support Q4W or less frequent dosing in HS
- **Suitable for subcutaneous and intravenous formulation**
  - Stable 150 mg/ml dosage form
  - Plan for commercial presentation to be an autoinjector

AVTX-009 has Higher Potency than Canakinumab and Gevokizumab



AVTX-009 has Strong Pharmacokinetic Profile



1. Data on file
2. Bihorel S, et al. *AAPS J.* 2014;16(5):1009-1017
3. Sloan-Lancaster J, et al. *Diabetes Care.* 2013;36(8):2239-2246

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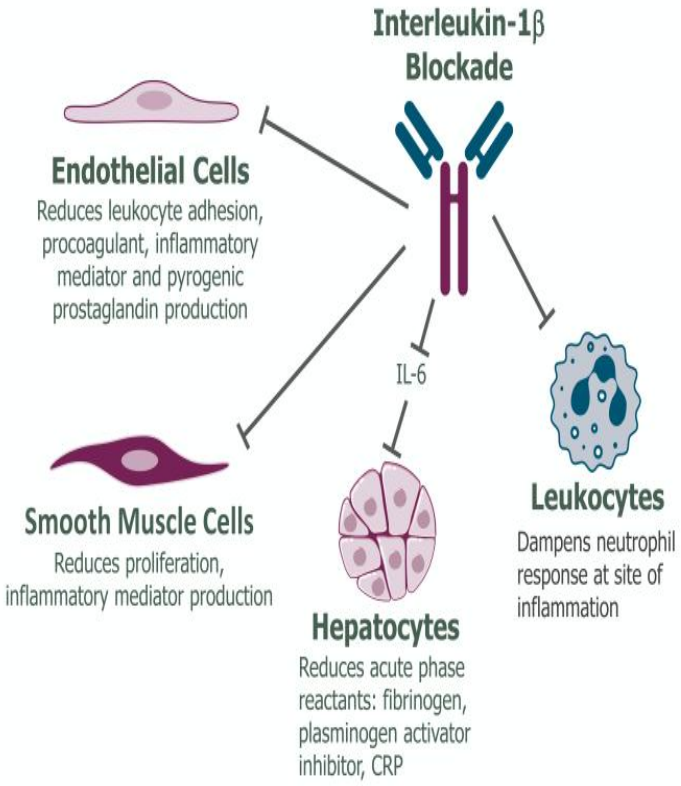
IL-1β is a Validated Target in Inflammatory Diseases

- IL-1β is a central driver of the inflammatory process[1]: activates immune cells that generate pro-inflammatory cytokines including IL-6, TNF-α, and IL-17
- Inhibition of IL-1β has been shown to be effective and safe in a variety of inflammatory diseases including Hidradenitis Suppurativa (HS)[2]
- IL-1β is involved in the pathogenesis of many autoimmune and autoinflammatory diseases



1. Dinarello CA. *Immunol Rev.* 2018;281(1):8-27
2. Kany S, et al. *Int J Mol Sci.* 2019;20(23):6008

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Hidradenitis Suppurativa (HS)

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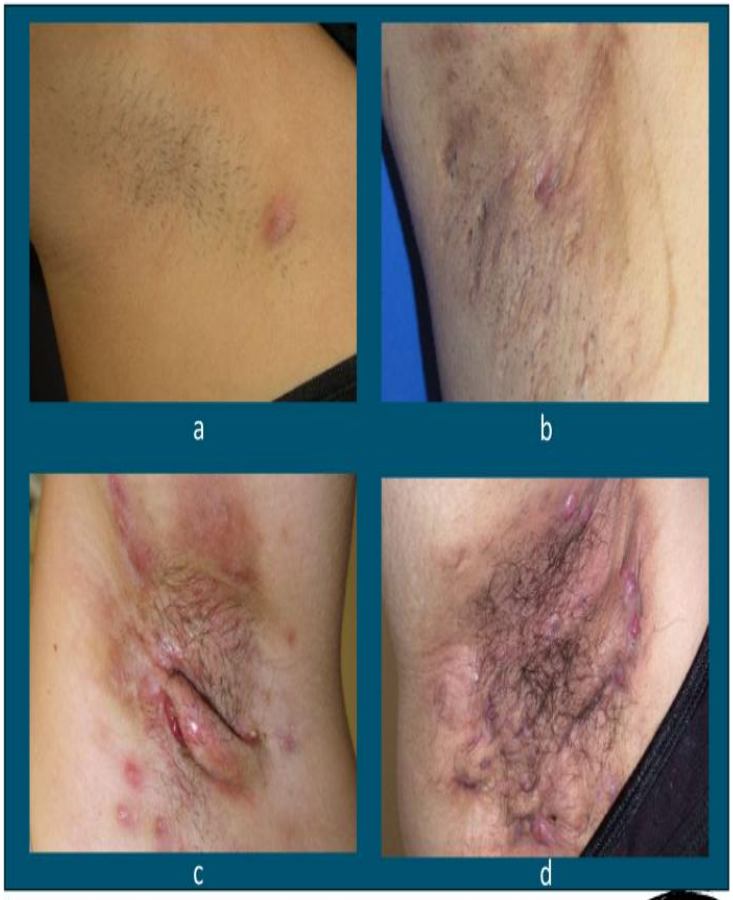
Hidradenitis Suppurativa (HS)

- Chronic, often debilitating inflammatory skin disease
  - Lumps, abscesses and scars develop under the arms, in the groin and other areas
- Current treatments:
  - Antibiotics
  - Retinoids
  - Steroids-topical, oral, injections
  - Cosentyx, Humira
- HS has an estimated prevalence of 0.7–1.2% in the European-US population[1]



Hurley Stages 1-3 (a-c) and Scarring folliculitis (d)

1. Nguyen TV, et al. *J Eur Acad Dermatol Venereol.* 2021;35(1):50-61
2. Ngan V, et al. Hidradenitis suppurativa. DermNet. Accessed February 16, 2024. https://dermnetnz.org/topics/hidradenitis-suppurativa

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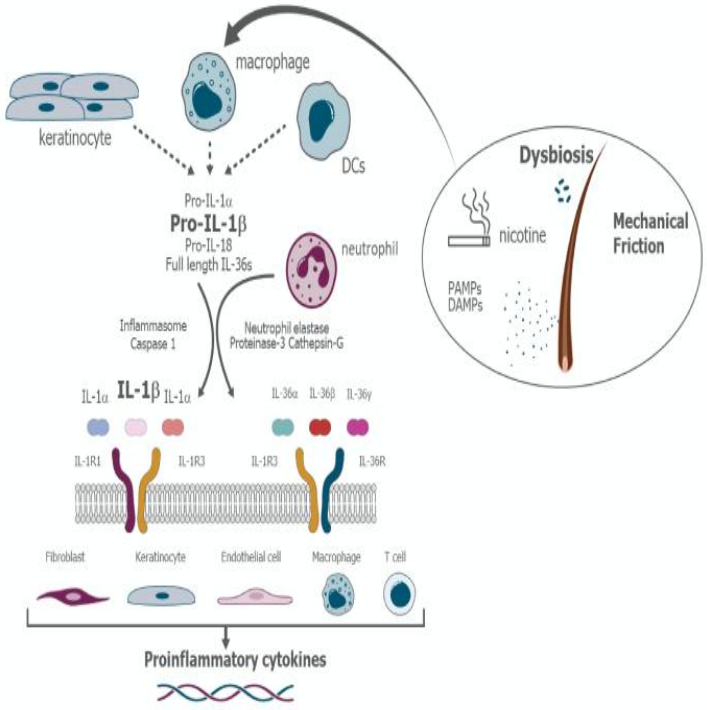
IL-1β is Strongly Implicated in the Pathophysiology of HS[1]

- Inflammatory cascade in HS is triggered by various external stimuli
  - Smoking, dysbiosis, or mechanical stress
- IL-1β is a key driver of the inflammatory cascade that leads to the destruction of the pilosebaceous unit
  - Increased IL-1β levels in lesional skin[2,3]
  - Genetic associations[4]
  - Clinical benefit has been observed with anti-IL-1 drugs



DAMPs, damage-associated molecular pattern molecules; DC, dendritic cell; IL, interleukin; IL-R, interleukin receptor; PAMPs, pathogen-associated molecular pattern molecules.

1. Calabrese L, et al. *Biomolecules.* 2024;14(2):175
2. Vossen ARJV, et al. *J Invest Dermatol.* 2020;140(7):1463-1466.e2
3. Kelly G, et al. *Br J Dermatol.* 2015;173(6):1431-1439
4. Marzano AV, et al. *Dermatology.* 2022;238(5):860-869

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Baseline Patient Characteristics of Biologics from Recent HS Trials

Lutikizumab Trial Enrolled More Severe Patients than Competitor Trials

Patient Characteristics	adalimumab PIONEER I / II[1]	secukinumab SUNSHINE / SUNRISE[2]	bimekizumab BE HEARD I / II[3]	sonelokimab MIRA[4]	lutikizumab NCT05139602[5]
Age (years), mean	34.9 – 37.8	35.5 – 37.3	36.7 / 36.6	37.6	37.0-39.5
Gender, female, **%**	59.5 – 69.3	54 – 57	63.0 / 50.7	59.8	53.8-67.6
Race, White, **%**	75.8 – 87.7	74 – 81	77.8 / 81.5	85.0	64.9-88.9
BMI, kg/m^2, mean	31.3 – 34.5	31.4 – 32.8	33.8 / 32.3	33.7	33.0-34.1
Smoking, current, %	52.9 – 67.3	50 – 58	43.0 / 48.1	46.6	24.3-46.2
Duration of HS years, mean	8.8 – 9.9	6.6 – 8.2	9.0 / 7.0	8.5	10.0-13.2
Lesions, mean					
- AN count	10.7 – 14.4	12.6 – 13.9	16 / 16.5	14.0	11.4-17.0
- DT	3.0 – 4.6	3.2 – 3.6	3.8 / 3.4	3.5	5.7-8.7
Hurley stage, %					
- I	0	2 – 6	0	0	
- II	52.3 – 54.6	51 – 60	50.3 / 61.1	63.7	25.6-35.1
- III	45.4 – 47.7	28 – 46	49.7 / 38.9	36.3	64.9-74.4
Prior biologic use, %	0	20 - 26	25.0 / 13.2	17.5	100 TNF failure entry criteria

1. Kimball AB *et al.* N Engl J Med. 2016; 375:422-34;
2. Kimball AB *et al.* Lancet. 2023; 401:747-7613;
3. Presentations at American Academy of Dermatology (AAD 2023), March 17-21 New Orleans, LA and 2023 European Academy of Dermatology and Venereology (EADV 2023), October 11-14, Berlin, Germany
4. R&D Presentation – Results MIRA trial June 26th 2023 https://ir.moonlaketx.com/static-files/86c71a51-5836-4f1c-9a2c-45e440a50d75
5. Kimball AB *et al.* presentation at American Academy of Dermatology (AAD 2024), 8-12 March 2024, San Diego, CA

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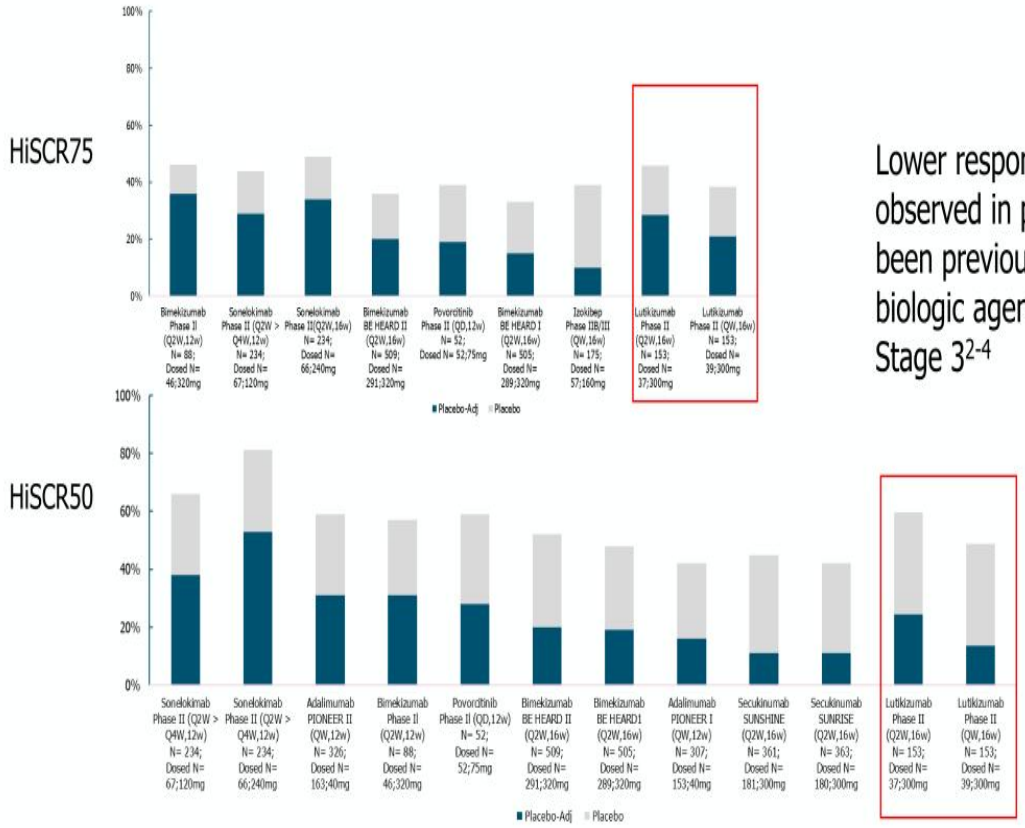
Lutikizumab Efficacy Comparable to Other Agents in a More Severe Patient Population that Failed TNF-α Therapy[1]



Lower response rates observed in patients that have been previously treated with biologic agents or Hurley Stage 3[2-4]

1. Kimball AB, et al. Presented at: American Academy of Dermatology; March 8-12, 2024; San Diego, CA
2. Kimball AB, et al. Supplement. *N Engl J Med.* 2016;375(5):422-434
3. Sayed, et al. Poster presented at: European Academy of Dermatology and Venereology Congress; October 11-14, 2023. Berlin, Germany
4. Zouboulis CC, et al. *Br J Dermatol.* Published online March 12, 2024. doi:10.1093/bjd/ljae098

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IL-1α is Unlikely to be an Important Driver of HS Pathophysiology

- **Phase 2, bermekimab (IL-1α mAb) (NCT04019041)[1]**
  - Moderate to Severe Hidradenitis Suppurativa
  - Loading doses and then either 400 mg QW or 400 mg Q2W
  - Primary endpoint: HiSCR50 at week; Efficacy not demonstrated

- **Phase 2, bermekimab (NCT04988308)[2]**
  - Moderate to Severe Hidradenitis Suppurativa
  - Primary endpoint : HiSCR50 at week 16
  - **Study was terminated prematurely as interim analysis met the futility criteria for primary endpoint (no better than placebo)**

	Part 1: Placebo (N=35)	Part 1: Bermekimab (N=35)	Part 1: Adalimumab (N=35)
Primary Endpoint Percentage of Participants Who Achieved Hidradenitis Suppurativa Clinical Response-50 (HiSCR50) at Week 16	37.1	37.1	57.1
Key Secondary Endpoint Percentage of Participants Who Achieved HiSCR75 at Week 16	25.7	25.7	40.0

1. ClinicalTrials.gov identifier: NCT04988308. Updated November 13, 2023. Accessed March 24, 2024. https://clinicaltrials.gov/search?term=NCT04988308 NCT04019041
2. ClinicalTrials.gov identifier: NCT04019041. Updated July 27, 2023. Accessed March 24, 2024. https://clinicaltrials.gov/search?term=NCT04988308

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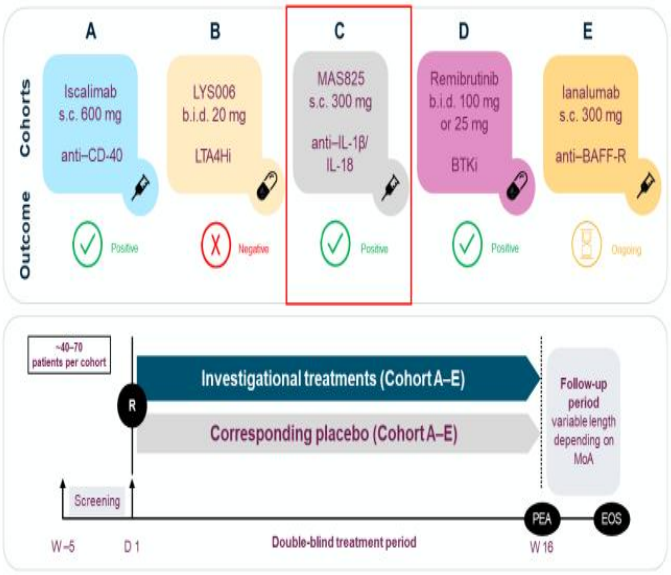
MAS825 May Provide Further Clinical Evidence for IL-1β in HS

- Novartis' MAS825 is a bispecific inhibitor of IL-1β and IL-18
- MAS825 arm succeeded in a placebo-controlled platform trial in HS[1,2]
- To our knowledge, there is no other clinical validation of IL-18 inhibition in HS
- Unlike IL-1β, IL-18 is not strongly implicated in the pathophysiology of HS

NCT03827798: Phase 2b Platform study in moderate to severe HS



Patients

- Adult patients aged 18–65 years
- Moderate to severe HS for ≥12 months in ≥2 anatomical areas with ≤15 tunnels
- ***Cohorts A, C, and E:*** ≥5 inflammatory lesions
- ***Cohorts B and D:*** ≥3 inflammatory lesions

1. ClinicalTrials.gov identifier: NCT03827798. Updated January 21, 2023. Accessed March 24, 2024. https://clinicaltrials.gov/search?term=NCT03827798
2. Kimball AB, et al. Presented at: American Academy of Dermatology; March 8-12, 2024; San Diego, CA

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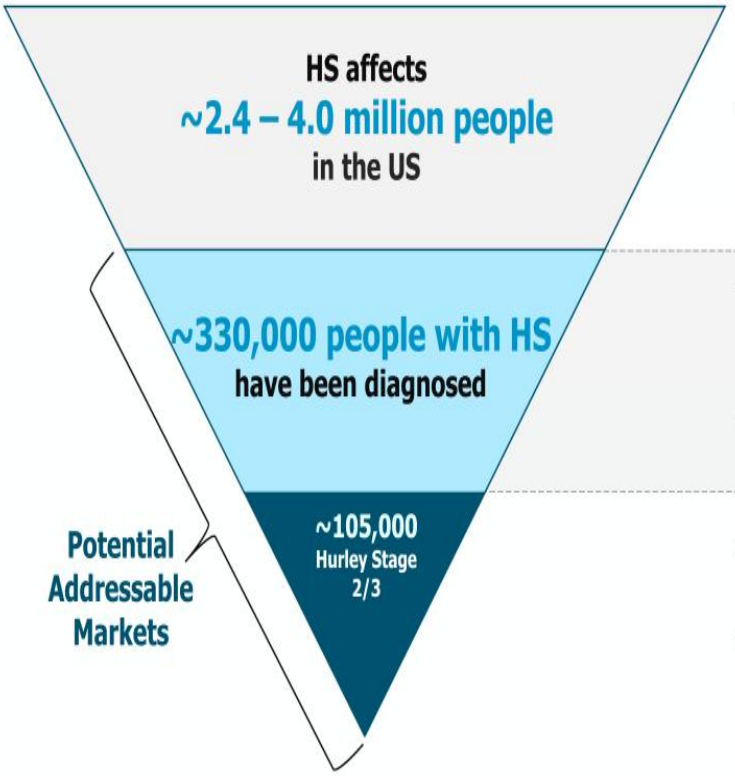
Large Unmet Need in HS

Global HS market has multibillion dollar sales potential with sponsors of several approved products projecting annual sales of $1.5 – 3B[1]



- An estimated **0.7 – 1.2% of people in the US** have HS, though some estimates are as high as 2-4%[2]
- HS appears underdiagnosed and underreported with the rate of reported cases in health records estimated at **0.1% of the US population**[3]
- We believe tailoring therapy for optimal outcomes will require access to multiple therapies addressing multiple targets
- An estimated **28%** of HS cases are Hurley Stage 2, and an additional **4%** are Hurley Stage 3[4]
- There is a large population of patients with a marked need for improved treatment options

1. Independent Market Analysis by Biotech Value Advisors LLC
2. Nguyen TV, et al. *J Eur Acad Dermatol Venereol.* 2021;35(1):50-61
3. Garg A, et al. *JAMA Dermatol.* 2017;153(8):760-764
4. UpToDate as of 02/15/24

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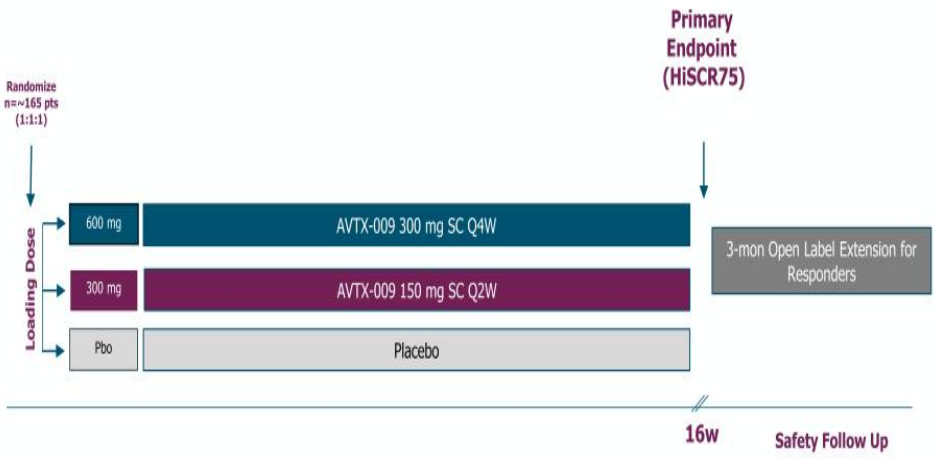
Proposed Phase 2 Study in Hidradenitis Suppurativa (HS)

Efficacy and Safety of AVTX-009 Treatment in Participants With Hidradenitis Suppurativa

Key Inclusion Criteria

- Clinical diagnosis of hidradenitis suppurativa (HS) for at least 1 year prior to Baseline as determined by the investigator.
- Total abscess and inflammatory nodule (AN) count of ≥5 at Baseline
- HS lesions must be present in at least 2 distinct anatomic areas.
- **Must have failed anti-TNF treatment for HS**



Primary Study Endpoint

Primary Endpoint: Percentage of Participants Achieving Hidradenitis Suppurative Clinical Response HiSCR75 at 16 weeks

Key Secondary/Exploratory Endpoints

Key Secondary Endpoints:
- HiSCR50, HiSCR90 and HiSCR100
- Safety and tolerability
- PK

Exploratory Endpoints:
- Biomarkers- CRP, IL-6, potentially other biomarkers

Trial has 80% power to show a HiSCR75 response for each individual arm (based on lutikizumab Phase 2 HiSCR75)

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Potential Additional Indications

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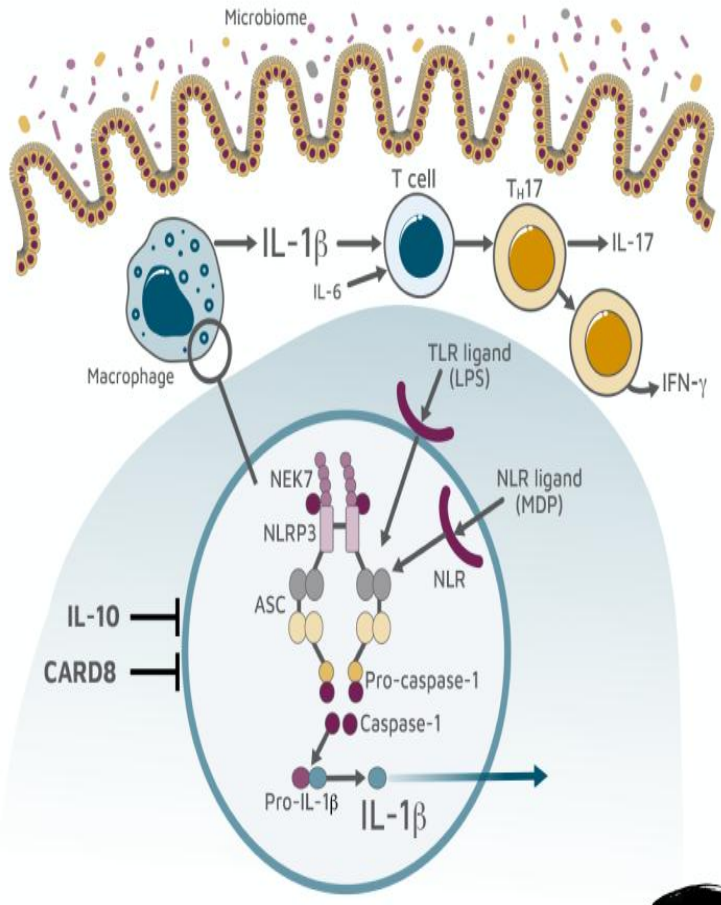
Role of IL-1β in IBD

- IL-1β plays a central role in inflammation in IBD[1]
  - IL-1β being a key cytokine produced upon inflammasome activation
  - Dysregulated inflammasome activation has been implicated in the pathogenesis of Crohn's Disease (CD)
- IL-1-driven stromal–neutrophil interactions define a subset of patients that do not respond to current therapies [2,3]
- Observed overlap of patients that have IBD and HS[4,5]



1. Mao L, et al. *Front Immunol.* 2018;9:2566
2. Friedrich M, et al. *Nat Med.* 2021;27(11):1970-1981
3. Cader MZ, Kaser A. *Nat Med.* 2021;27(11):1870-1871
4. Chen WT, Chi CC. *JAMA Dermatol.* 2019;155(9):1022-1027
5. Zhang M, et al. *World J Clin Cases.* 2021;9(15):3506-3516

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Recent IL-1 Trial Initiations in IBD

- The goal of IBD therapeutics is remission
  - Only a minority of IBD patients obtain remission with current therapies

- AbbVie plans to evaluate lutikizumab, dual-variable-domain interleukin (IL) 1α/1β antagonist as monotherapy in UC and in combination with SKYRIZI in Crohn's
  - *"…we believe lutikizumab has the potential to be used in combinations to provide transformational levels of efficacy in IBD. We plan to evaluate combo approaches with lutikizumab and Skyrizi… in Crohn's. Our Phase 2 studies in IBD are expected to begin later this year."*--Roopal Thakkar, Senior Vice President, Chief Medical Officer, Global Therapeutics --from AbbVie 4Q23 Earnings Call Transcript

- There is an opportunity for greater efficacy for patients with IBD with anti-IL-1β as a monotherapy and in combination

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Executive Summary

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Executive Summary and Development Timeline

- **Potential for a Best-in-Disease Profile in HS**
  - High potency and favorable half-life may allow for improved efficacy and convenient dosing
  - Potential in other autoimmune diseases
- **Key Clinical Evidence Supporting IL-1β in HS**
  - In a large, well controlled Phase 2 trial (NCT05139602), lutikizumab validates IL-1β targeting in HS. Efficacy was comparable with other HS therapies despite a more severe patient population[1]
  - Clinical evidence suggests anti-IL-1α therapy is not effective in HS[2,3]
  - MAS825 (IL-1β/IL-18 bispecific) showed positive results in a Phase 2 randomized controlled study (NCT03827798)[4]
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- **HS Anticipated to Become Multi-Billion Dollar Market**
- **HS Topline Results Expected in 2026**
- **Expected Cash Runway into 2027**

1. Kimball AB, et al. Presented at: American Academy of Dermatology; March 8-12, 2024; San Diego, CA
2. ClinicalTrials.gov identifier: NCT04988308. Updated November 13, 2023. Accessed March 24, 2024. https://clinicaltrials.gov/search?term=NCT04988308 NCT04019041
3. ClinicalTrials.gov identifier: NCT04019041. Updated July 27, 2023. Accessed March 24, 2024. https://clinicaltrials.gov/search?term=NCT04988308
4. Kimball AB, et al. Presented at: American Academy of Dermatology; March 8-12, 2024; San Diego, CA

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Appendix

Financial & Investor Information

NASDAQ: AVTX

- **In March 2024, Avalo entered into a private placement financing:**
  - Gross proceeds of up to $185M[1], with initial funding at close of $115.6M
  - Net proceeds expected at close of approximately $105M[2], which is expected to provide cash runway into 2027
  - Expected to close on March 28, 2024
  - On an as-converted basis and after accounting for the acquisition of AlmataBio, Inc. and the financing (excluding the exercise of the 12.0M warrants), the total number of shares of Avalo common stock outstanding would be approximately 23.4M
- **The following data is as of December 31, 2023 and excludes the transactions above:**
  - Cash and cash equivalents – $7.4M
  - Outstanding shares of common stock – 0.8M
  - Fully diluted shares – 0.8M

[1] Includes $115.6M of upfront funding and $69.4M to be received if and upon full exercise of the warrants issued. The warrants are exercisable for approximately $5.80 per underlying share of common stock and are exercisable for common stock, or an equivalent amount (as converted to common stock) of non-voting convertible preferred stock in the event that certain beneficial ownership limitation applicable to each holder is reached, until the earlier of five years from issuance or 30 days after the public announcement of the first patient dosed in a Phase 2 trial of AVTX-009 in hidradenitis suppurativa.

[2] Net proceeds include estimated transaction costs from both the private placement financing and the acquisition of AlmataBio, Inc. The estimated transaction costs do not include the $7.5 million milestone payment due to the former AlmataBio stockholders upon close of the private placement financing.

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